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ORGANIZATIONAL PSYCHOLOGY

Authors:

M.N. Mishra, *Former Head and Dean, Faculty of Commerce, Banaras Hindu University, Varanasi*
Units (1.0-1.3, 1.7.2-1.7.3, 1.8-1.12, 2.0-2.2, 2.4, 2.7, 9.3, 11.6, 12, 13, 14.0-14.2, 14.4, 14.7-14.11)

Kavita Singh, *Professor, Faculty of Management Studies, University of Delhi*
Units (1.4, 1.7.4, 3.2.1, 3.3, 4, 6.3.3, 7.5.1, 11.0-11.4, 11.7-11.11, 14.3)

J.S. Chandan, *Retd. Professor, Medgar Evers College, City University of New York*
Units (1.5-1.6, 1.7-1.7.1, 2.3, 2.5-2.6, 2.8-2.12, 3.0-3.2, 3.2.2, 5, 6.0-6.3.2, 6.3.4-6.9, 7.0-7.2, 7.4, 7.5, 7.6-7.10)

RS Dwivedi, *Ex-Chairman and Dean, Faculty of Commerce and Management, Kurukshetra University, Haryana*
Units (8, 14.6)

Vikas Publishing House, Units (3.4-3.9, 7.3, 9.0-9.2, 9.4-9.11, 10, 11.5, 14.5)

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• Website: www.vikaspublishing.com • Email: helpline@vikaspublishing.com

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INTRODUCTION

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An applied discipline within psychology is organizational psychology. The discipline is the work-related science of human behaviour and applies psychological theories and principles to organizations and individuals in their workplaces as well as to the work-life of the individual more generally. Themes traditionally considered within the field of organizational psychology include: (a) internal condition of individuals related to jobs (e.g., job motivation, job satisfaction); (b) determinants of productive interpersonal relations within organizations (e.g. leadership, group behaviour, and team performance); and (c) design of work, organizational processes, and organizational frameworks that promote individual and organizational success.

The organizational side of psychology is primarily focused on understanding how human behaviour influences organizations. Organizational structures, social norms, styles of management and expectations of role are all factors that can influence how people conduct themselves within an organization.

This book, *Organizational Psychology*, is written with the distance learning student in mind. It is presented in a user-friendly format using a clear, lucid language. Each unit contains an Introduction and a list of Objectives to prepare the student for what to expect in the text. At the end of each unit are a Summary and a list of Key Words, to aid in recollection of concepts learnt. All units contain Self Assessment Questions and Exercises, and strategically placed Check Your Progress questions so the student can keep track of what has been discussed.

BLOCK - I
BASIC CONCEPTS

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1.0 INTRODUCTION

The study of Organizational Behaviour (OB) is interesting as well as challenging. It relates to individuals and group of individuals working together in teams. The study becomes all the more interesting with the influence of situational factors around the individuals. We all are aware that no two individuals are similar; hence, it depends on the acumen of the manager to analyse the behaviour of the individual and delegate the work to him accordingly. Organizational behaviour endeavours to gather information with reference to a topic in a scientific manner under controlled conditions. In this unit, we will thus discuss all the aspects of organizational behaviour in detail.

1.1 OBJECTIVES

NOTES

After going through this unit, you will be able to:

- Understand the meaning, elements and need of organizational behaviour
- Discuss the different approaches and models of organizational behaviour
- Explain individual behaviour and its relevance to organizational behaviour

1.2 MEANING, ELEMENTS AND NEED OF ORGANIZATIONAL BEHAVIOUR

Organizational behaviour has been defined as the knowledge of people's behaviour at work. It is a meaningful solution to complex human problems. 'Organizational Behaviour is the study and application of knowledge about how people act within an organization. It is a human tool for human benefit. It applies broadly to the behaviour of people in all types of organization.' The behaviour of people at work depends on numerous factors such as technology, structure, group, social setup and so on. The organizational structure has a significant place in shaping the behaviour of people. Technology helps in the performance of the job in a successful and systematic manner. Fred Luthans has rightly emphasised on behaviour by saying that organizational behaviour 'is directly concerned with the understanding, prediction and control of human behaviour in organizations'. It is the study of the behaviour of people to improve the efficiency of the organization. The understanding and analysis of the behaviour of people helps in motivation for achieving the organizational goal. The study of behaviour is essential because of the different nature of people. Besides individual differences, people are whole persons and total human beings. Behaviour is changed as a result of motivation. Human dignity and ethics are observed in their behaviour. An organization's internal environment, social environment, individual perception and learning, group affiliations and technological development are instrumental in shaping behaviour. Behaviour is required to be modified and developed to achieve the organizational goal.

> Organizational behaviour is concerned with the study of the behaviour, attitudes and performance of workers in an organizational setting, the organization's and informal group's effect on the worker's perceptions, feelings and actions, the environment's effect on the organization and its human resources and goals, and the effect of the workers on the organization and its effectiveness.

This definition lays emphasis on individual attributes, the group's effects, organizational structure and environment for shaping the people at work. These factors are interdependent and interrelated. Organizational behaviour is considered to be a branch of science wherein human behaviour is studied, researched, concluded and channelized for organizational effectiveness. Not only individual

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behaviour but the role of the group and organizational structure are also studied. The interrelated and influencing environment is appraised for deciding the typical behaviour of people at work and their impact on the organization's effectiveness and goal accomplishment. Behavioural science studies the variables associated with the behaviour of people and their performance. Stephen P. Robbins has said that organizational behaviour (frequently abbreviated as OB) 'is a field of study that investigates the impact, that individuals, groups and structure have on behaviour within the organizations for the purpose of applying such knowledge toward improving an organization's effectiveness'. Organizational behaviour has become a field of study to understand the behaviour of individuals, groups and structure. The purpose of the study is to modify and mould their behaviour for increasing the effectiveness and efficiency of the organization. It is a systematic study of behaviour to improve the performance of the people and the organization. Many important activities of the people's development are included under organizational behaviour. Motivation, learning, personality development, conflict resolution, stress management and interpersonal communication are thoroughly discussed under this discipline. Behaviour depends on how people listen, observe, sense, ask and interact. Behaviour is a dynamic process depending on the experiences of individuals and the experiences of others related with the individuals.

Human behaviour is developed not in a vacuum but is shaped every time by the behaviour of others and environmental factors. The behaviour of a worker depends on the behaviour of his boss. If the supervisor is friendlier, trusting, informal, approachable and competent, the productivity of workers will increase and they will undertake more challenging jobs. The systematic evaluation of the factors influencing the behaviour of employees provides the basis for the effective performance of their jobs. Behaviour is caused and directed towards some specific goals. Behaviour is predictable by understanding people and situations. Different behaviour is perceived in different situations. This is the reason that different behaviour is exercised by different people. Beneath these differences, there are some common behaviour traits which may ordinarily be exercised by people. Therefore, it is possible to predict behaviour. The systematic study of behaviour may help to predict behaviour accurately. The cause and effect analysis, quantification of two variables of behaviour and experimental research provides important information about behaviour and its influencing factors. The common-sense observation of behaviour may or may not be correct as revealed by rigorous analysis and scientific research.

Organizational behaviour is generally confused with organizational theory, organizational psychology and human resources management. Organizational theory is the study of structure, the system, sequences and the process of organization. Organization behaviour, while studying all these subjects, delves into the behaviour of individuals and groups. Organizational theory is based on macro study, whereas organizational behaviour is a micro study of people's behaviour. Organizational

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psychology restricts its activities to psychological factors. Organizational behaviour considers and combines all the branches of study, e.g. science, technology, psychology, terminology, anthropology and other behavioural subjects. Organizational behaviour has become the basis of human resources management and development. The former is concept-oriented, whereas the latter is concerned with the technology of human development. The variables influencing human development are scientifically studied under organizational behaviour. Human resources development is successful with the use of the knowledge of organizational behaviour. There is a need for study of performance-oriented dependent variables, the search for cause and effect for human resources development which is possible through the use of concepts of organizational behaviour which helps personal growth, self-actualisation, modification and organizational development. Human relations, human activities and human resources management are activated, directed and channelized by the application of the knowledge of organizational behaviour which has become a field of study, research and application for the development of human resources and the organization as a whole.

1.3 APPROACHES AND MODELS

Organizational behaviour has four important approaches—the human resources approach, the contingency approach, the system approach and the productivity approach.

Human resources approach

Organizational behaviour is mainly interested in the development of its human resources. The employees' growth and development in an organization are basic requirements for its continuous growth and survival. The success of any organization depends on the competency and creativity of its employees because they are the central points of every function of management. Traditionally, managers were important for deciding on task performances and carrying them out successfully under their directions. Employees cannot be treated merely as order followers; they are supportive and should be made more responsible. An organization has to develop a suitable climate wherein employees can improve their behaviour with job satisfaction for achieving organizational goals with efficiency and economy. Developed employees improve their performance effectiveness. Satisfied employees utilise their fullest capacities for task performance. Developed employees contribute to the development of the organization with much zeal and spirit and without creating conflicts and facing stress. If monetary incentives are given, it encourages working only as long as monetary benefits are given. However, if employees are developed, their capacities become increased for better work performances throughout life. The role of the manager has changed from that of a controlled approach to a supportive approach to employees.

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Contingency approach

Behavioural science is being used for solving problems which may arise at any time. Behavioural knowledge is being applied to solve these problems. One or few accepted principles cannot solve all the problems. Employees are therefore trained to face any sort of problems. They should have the capacity to meet the challenges of the environment. Employee-oriented leadership is better suited for solving problems than task-oriented leadership. When situations are much more complex, employees are to be developed to handle situations with the use of their capacities and capabilities rather than with the use of abstract principles. Different situations require different functions and behavioural approaches. It is known as the contingency approach because it believes that there is no such thing as the best way to handle the problem. Solutions as per situations are more effective and useful. This approach encourages analysis of each situation before and after incurring the problem. The contingency approach is an interdisciplinary and system-oriented approach of management. There is no perfect style of management. On some occasions, the participative approach may be useful, while in some situations, autocratic decisions will be more useful. The effectiveness of task performance is contingent upon the situation, and organizational behaviour deals with these contingents to arrive at an appropriate decision in a particular situation.

System approach

The system approach includes several subsystems which exist in an organization, and therefore affect each other. Managers have to look beyond immediate situations to foresee future situations. There is a need for a systematic and fruitful framework involving general relationships. The purpose is to improve organizational behaviour for effective management. A system is developed where people work in a congenial atmosphere. The theories of organizational behaviour are applied to the system for achieving organizational goals. Better organizational behaviour provides greater success of the system approach. Developed employees perform all the subsystems in an effective manner. The organization and society are benefitted by organizational behaviour. Better people have better organizational relationships wherein the objectives of individuals, organization and society are served. The General System Theory (GST) has been developed for the success of the system approach.

Productivity approach

The ultimate objective of organizational behaviour is to increase productivity. With the given inputs, if production is improved, it is a symbol of productivity improvement. In other words, productivity is the production volume per unit of input. It is measured in terms of economic inputs and outputs. Better organizational behaviour increases the output in relation to inputs. The human behaviour is developed for performing jobs in an effective manner. If people's knowledge and skills are developed, their abilities to perform tasks also increase. If proper motivation is provided, people work to the best of their abilities. Motivation depends

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on the situations and attitude of the employees. Ability and motivation determine the people's potential performance. If the human performance is supported with adequate resources, organizational productivity is increased. Organizational behaviour influences people's knowledge, skill, attitude, ability and performance potential.

Check Your Progress

1. Why is the study of behaviour essential in organizational behaviour?
2. Define organizational behaviour according to Fred Luthans.

1.4 GLOBAL SCENARIO

Although the United States was the dominant economic power in the world throughout the twentieth century, very few American business houses tried to expand beyond American shores. It was really during the last quarter of the century that businesses began to focus globally. However, it seemed that Japanese firms were seizing centre-stage with phenomenal growth in the world markets during the 1970s and 1980s. Japanese firms such as Toyota and Sony challenged management practices with an emphasis on work team and total quality management (TQM). Through the processes of continuous quality improvement and just-in-time (JIT) manufacturing, Japanese products became the world- class standard of quality and innovation in customer products.

Japan entered the 1990s with a recession that brought about major upheavals in the way business had to be done. The once-assumed sacred practice of lifetime employment within the families of large firms crumbled as managers began to lay off employees to cut cost and scale back to excess production capacity. Further, the breakdown of the Soviet Union in the early 1990s into independent republics shifted the world economic–political order. Europe began a new era of technological and economic growth. Historically protected industries such as telecommunications and banking got transformed through open competition and mergers and acquisitions on a global scale and the European Union became a reality. Then in 1998, overheated economies in Asia—Indonesia and Thailand in particular— devalued their currencies and the ripple effect of economic destabilization extended to Latin America and other emerging regions. The United States once again was the clear global leader in political and military influence and in business practice and success. But a major disturbance in 2001, the destruction of the World Trade Centre (WTC) as a result of terrorist activities, contributed to America's insecurity. This short-term history of world events over the past 30 years emphasizes the wild swings of instability that herald an era of global business, both competition and cooperation. A global view becomes critical to managing in the twenty-first century.

Besides these, due to other changes in the world economy, the entire world has become a single stage for operating business. Hewlett-Packard assembles computers in Guadalajara, Mexico, and 3M makes chemical and electrical parts in Bangalore, India. The reason for these and other organizations choosing international locations for some of their new facilities are complex. These organizations want to establish sophisticated manufacturing and service operations that promise growth, not just exploit cheap labour. New technology and continuing drive for greater profits push organizations to build plants and offices in other countries—plants that require only a fraction of the employees required in plants back home.

The implication of these discussions for organizational behaviour lies in the fact that now we cannot assume that people throughout the world hold the same implicit employment relationship expectations. Nor can we assume that everyone in a globally diverse workforce will embrace work teams, employee involvement, reward systems, and other practices that are widely adopted in some of the developed Western countries. Globalization emphasizes the need to recognize the contingencies of effective OB practice while dealing with a diverse workforce.

1.4.1 Trend towards Diversity: Managing Employees from Different Backgrounds

Diversity can be defined as a mixture of people who vary by age, gender, race, religion, and/ or lifestyle. One management challenge is to help people understand diversity so that they can establish productive relationships with people at work. Effectively managing a diverse workforce means adopting practices that recognize all aspects of diversity. Perhaps nothing has greater implications for managing diversity than the changing characteristics of the workforce. The composition of the workforce is changing at a very high pace. Most multinational organizations have a highly diverse workforce. Organizations like Hewlett-Packard conduct workshops for all employees during which the emphasis is on educating and encouraging managers to understand culturally different employees and to create an environment that fosters productivity.

Workforces in Asia, Western Europe, Latin America, and North America are growing more complex and diverse. Thus, managers need to recognize differences resulting from this diversity, particularly in terms of what employees want from their jobs. Some of the challenges that organizations face with a diverse workforce are listed here:

- **Language differences:** Unless employees can understand each other, communication is difficult or even impossible. Employees cannot train each other or work together if they can't communicate. Language barriers, therefore, pose real and often serious problems that could lead to misunderstandings regarding performance standards, work methods, safety measures, and other essential working conditions.

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- **National ethnic groupings:** Sometimes employees tend to form strong ethnic groups on the basis of similarities. Although such grouping develops a strong sense of teamwork within the group, it doesn't promote working with others who don't share the same language and cultural heritage.
- **Attitude and cultural differences:** Most people have developed attitudes and beliefs about others by the time they seek a job. However, some attitudes and beliefs create frustration, anger, and bitterness in those at whom they are aimed. Managers who want to foster employee tolerance are opting for a major change. In many organizations, women and minorities are bypassed when important, formal decisions are made. Informally, these people often are left out when others go to lunch or a sporting event. These informal get-togethers give older employees a chance to counsel junior employees about coping with problems. For managers to effectively create an environment where everyone can contribute to the organizations goals, attitudes must change.

Check Your Progress

3. Define diversity.
4. Why do organizations choose international locations for some of their facilities?

1.5 INDIVIDUAL BEHAVIOUR

It has been established that certain characteristics of behaviour are genetic in nature, and a human being inherits a certain degree of similarity to other individuals, as well as uniqueness in the form of genes and chromosomes. Some of the characteristics such as physical traits including physical height, slimness, dexterity, intellectual capacity and the ability to learn and logicalize are all inherited and have a wide impact on behavioural patterns.

According to R.S. Dwivedi, the structures of the nervous system play a significant part in the emerging pattern of behaviour thus bringing about the integration of human behaviour and personality. Some psychologists believe that some aspects of human behaviour can be explained in terms of neural activity and neuro-physiological processes. Dwivedi further explains:

> Integration of human behaviour takes place because of the constant functioning of receptors, effectors and connectors. Here the nervous system is primarily involved in the connecting process. The numerous receptor cells attached to the individual's sense organs tend to convert physical and chemical events from the environment into neural events while the several effector cells attached to the muscles and glands convert these neural events into responses.

These responses result in behavioural activity ranging from simple reflex action to the complex creative activity. Behaviour is sometimes easily explained by laymen as a reflection of the state of the nervous system. This causal relationship is referred to continuously during our daily routine impressions and conversations. For example, when somebody loses patience quickly, we tend to brand him as 'stupid', and the behaviour is explained by a lack of intelligence where intelligence reflects a state of neural system. Similarly, a person whose behaviour is depressive is considered to be having a 'nervous breakdown'. In other words, it is implied that a man exhibits a certain type of behaviour because he was 'born that way', again pointing to genetic structure.

1.5.1 Causes of Human Behaviour

As discussed earlier, both scientific thinkers as well as behaviourists have always been interested in finding out the causes for a given human behaviour. Science has always been involved in explaining a phenomenon by looking at its causes and then establishing a relationship between a cause and its effect. For example, the cause of formation of water is mixing of two parts of hydrogen and one part of oxygen in a given manner. Accordingly, the effect of water can be explained by its cause. This relationship is scientific and every time, the same cause will produce the same effect. Similarly, the behaviour scientists want to find out the causes for why people behave in a certain way. If these causes can be established, then certain types of behaviour can be predicted, manipulated and controlled.

The assumption that the study of any subject begins in the realm of superstition has some validity. For example, the scientific field of astronomy started as astrology. Similarly, the study and prediction of behaviour has its roots in superstitious beliefs in supernatural phenomenon. Even though such beliefs are not supported by science, they are still socially prevalent. Any conspicuous event that coincides with some part of general human behaviour is likely to be seized upon as a cause. Many such beliefs have been extensively discussed by B.F. Skinner. He cites as an example, the belief of many people that the position of various planets at the exact time of the birth of the individual determines many aspects of his behaviour, such as whether he is temperamental, impulsive, trustworthy, and so on. Millions of people who read the daily horoscope would testify to this belief, even though these horoscopes describe only general characteristics and general predictions that could be interpreted to be applicable to any person, irrespective of when he was born. The 'science' of astrology is taken very seriously in most underdeveloped countries and even in the technologically and scientifically advanced countries, astrologers are seriously consulted. In India, for example, many business meetings are arranged on the advice of astrologers. Former Prime Minister of India, Indira Gandhi and Ronald Reagan, Former President of America have been known to have arranged important political conferences in consultation with astrologers. The position of planets at birth, as a cause, is not considered as predicting specific actions or unique aspects of behaviour of an individual, but only general

characteristics such as whether the person is impulsive or thoughtful, even though some of these general characteristics may be explained as being responsible for some specific action of the individual. For example, a quick but wrong decision can be attributed to 'impulsiveness' that is identified by astrology. It is strange that there is a lack of serious questioning to its validity, even though the process proposes that all mankind can be divided into 12 monthly categories as far as their behaviour pattern is concerned.

Then there are numerologists who propose another cause of behaviour. This has to do with a person's name. They believe and propose that the choice of a person's name is not a coincidence but a predetermined and predestined phenomenon that is associated with the person's behaviour. Based upon this philosophy, certain patterns of behaviour are identified and predicted by the number and types of letters in a person's name. Each letter of the alphabet has been assigned a number. Thus, the letters of the name are replaced by their respective numbers. These numbers are then manipulated and an end result of a single number is obtained. This last number can be used to find some behavioural characteristics associated with this number, as explained by numerologists.

Common practice is to explain behaviour in terms of certain physical characteristics of a person, the most important of these characteristics being the lines on the palm. Palmistry or palm reading is often explained as a science and has been made popular by Cherio and Saint Germain, who practised the 'art' of palmistry and wrote extensively about it. The four major lines on the palm of the hand are the Life line, the Heart line, the Brain line or the line of education and intelligence and the Fate line. These major lines are supported by scores of smaller lines, crosses, stars, islands and branches. There are special lines about number of marriages and children and all these lines are supposed to predict not only how long the person will live or whether he will be rich or poor but also such behavioural traits such as intelligence, patience, restlessness, trust worthiness, and so on.

Another common practice is to explain behaviour in terms of the physical structure of the individual. It is sometimes said that the eyes betray the character of the person. Similarly, certain ideas can be formed about behaviour on the basis of whether the person is fat or tall or slim. Whether there is a correlation between body structure and behaviour has not been scientifically demonstrated. Even if there is such a correlation between the two, it is not always clear which is the independent variable and which is the dependent variable. For example, we cannot be sure whether fat people are jolly because, being at a disadvantage, they develop jolly nature as a competitive edge or whether jolly people are fat because they are free of emotional disturbances and enjoy their life by eating, drinking and not caring too much about their physique.

The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited. If

we know that a person has certain inherited qualities and limitations, then we may be able to use our control techniques more intelligently.

1.5.2 Categories of Human Behaviour

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There are two categories in which the causes of human behaviour can be classified. These are: (1) inherited characteristics and (2) learned characteristics. Let us explain each of these two in more detail.

Inherited characteristics

Some of the inherited characteristics that may or may not be changed by external forces and may or may not be important determinants of performance are as follows:

- **Physical characteristics:** Some of these characteristics relate to physical height, slim body, vision, dexterity and stamina and have some bearing on performance. Manual dexterity, for example, results in quality performance in such jobs that require artistic manoeuvring. Similarly, tall and slim people are expected to dress well and behave in a sophisticated manner, and fat people are assumed to have a jovial nature.
- **Intelligence:** Intelligence is primarily an inherited trait, even though children of some very intelligent parents have turned out to be less intelligent and vice versa. It is also known that intelligence can be enhanced by proper environment or by proper motivation. Einstein was not considered very intelligent during his earlier years. In any case, intelligence as a trait is related to certain behaviour. Intelligent people are easy to convince if the point is right and they can be expected to be much more stable and predictable.
- **Sex:**Being a male or a female is genetic in nature and can be considered as an inherited characteristic. However, it is highly debatable whether being a male or a female in itself is indicative of any behavioural patterns. Man is expected to be tough while a woman is expected to be gentle. Men 'never cry' and women are 'highly emotional', are some of the stereotyped assumptions that have no basis in genetic influences. These behaviour are developed, if at all, due to differences in treatment that boys and girls receive in the family environment. Even though some work roles are assumed to be the exclusive domain of women, such as nurses or airline stewardesses, these roles are being modified to accommodate men in these positions. As far as the administration of the management process is concerned, women in general do not differ from men in their operative behaviour.
- **Age:** Since age is determined by the date of birth, it is a kind of inherited characteristic. Age may affect the behaviour in physiological as well as psychological ways. Psychologically, young people are expected to be more energetic, innovative, risk taking and adventurous, while old people are supposed to be conservative and set in their ways. Physiologically, with

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age, older people experience waning of some of their faculties such as memory, stamina, coordination, and so on, and hence the related behaviours change as well. According to Lehman, the peak of creative ability is among people between the ages of 30 and 40.

- **Religion:** Religion and cultures based on it play an important role in determining some aspects of individual behaviour, especially those that concern morals, ethics and a code of conduct. Highly religious people have high moral standards and usually do not tell lies or talk ill of others. They are highly contented and thus strive for achievement and self-fulfilment. Additionally, religion and culture also determine attitudes towards work and towards financial incentives.

Learned characteristics

Some of the behavioural characteristics that account for enormous diversity in human behaviour are a product of our exposure to various situations and stimuli, both within the family and the outside environment. These characteristics are acquired by learning where learning is defined as a 'relatively permanent change in behaviour resulting from interactions with the environment.'

These characteristics involve an individual's attitudes, values and perceptions about the environment around him. They are the result of parental values and expectations and the values and norms of our culture and sub-cultures. Children learn the need and values of being honest and truthful and the value of love and affection from the family environment. If the parents are always fighting, if the father is always drunk or if the mother resents the child, it is most likely that the child will grow up lacking the warmth of love and respect. Similarly, a loving family instils certain positive values about life in the minds of the children.

The physical environment itself has a profound effect on the individual behaviour. Persons who have come through the rigorous routine of the armed forces or students who have been active sportsmen may have learned the spirit of competition as well as cooperation. Similarly, students who have studied in religious schools and convents may have learned different values about truth and human decency.

Since inherited behavioural characteristics are more difficult to change or modify, it is the learned characteristics that the managers want to study, predict and control. Hence these will be discussed in more detail in the following units, but a brief familiarity with this factor is necessary here. Some of these learned characteristics are as follows:

- **Perception:** Perception is the process by which information enters our minds and is interpreted in order to give some sensible meaning to the world around us. It is the result of a complex interaction of various senses such as feeling, seeing, hearing, etc. Sayings and proverbs like 'things are not what they seem' or 'all that glitters is not gold', reflect a

sense of perception. 'One man's meat is another man's poison', is in a psychological sense an indication that different people see and sense the same thing in different ways.

Perception plays an important part in human as well as organizational behaviour. For example, if a manager perceives a subordinate's ability as limited, he will give him limited responsibility, even if the subordinate, in fact, is an able person. Similarly, we lose a lot of good friends due to our changed perceptions about them.

- **Attitude:**Attitude may be defined as the organization of a perception within a frame of reference. It can also be described as the manner in which an individual behaves, reacts, thinks or perceives a particular object in a given situation. It is a tendency to act in a certain way, either favourably or unfavourably concerning objects, people or events. For example, if I say that 'I like my job,' I am expressing my attitude towards my work.

  Attitude has three elements in it that lead to measurable outcomes. These are feelings, thoughts and behaviour. Feelings and thoughts can be measured by simply asking individuals about their feelings and opinions. Behaviour can be measured either by actual overt actions or simply by asking the person how he would act in a certain situation. By measuring and integrating these three elements, a person's attitude towards a given situation can be established.

  In general, a person may have a positive attitude that is good outlook of life, or negative attitude that means continuous complaining about problems in life. Organizationally speaking, an employee's negative attitude about work may be reflected by substandard work performance, excessive absenteeism, excessive complaining about work environment or disobedience to rules of authority. These attitudes can be changed either by simple persuasion or by training and coaching. Kelman has identified three processes that act as instruments of change. The first is compliance that is application of subtle pressure either through reward or punishment in order to change the behaviour, and expecting this change to be lasting.

  The second process is that of identification with the person who is affecting the change and is acting as a change agent. This change agent could be a close friend who wants you to change and you respect and love him enough to do so to please him. In marriage, for example, both the husband and the wife make a lot of sacrifices and change their behaviour to please each other. The third process is the process of internalization that is more permanent in nature. This means that the new attitude is integrated with the other attitudes and becomes a part of the person's total personality. This change may occur through internal soul searching and the desire to change that comes from within.

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- **Personality:** When we describe people as quiet and passive or loud and aggressive or ambitious, we are portraying an aspect of their personality. A set of traits, habits and characteristics comprise the personality of an individual. This may also include conditioned responses that an individual may express to a set of given stimuli which in a way also contribute towards creating an impression of an individual upon others. This personality may come out as warm and friendly, or arrogant and aggressive. Many psychologists contend that personality traits develop in the early childhood years and very few personality changes can be made after the childhood years. There are different types of personality traits. Some of them can be biological in nature while others may be learned over a period of time. Examples of biological traits include physical build and intelligence. The traits which are learned over a period of time are patience, open-mindedness, outspoken nature, introversion or extroversion in behaviour, etc.

Some of these personality traits are highly influential in certain organizational operations from organizational behaviour point of view. For example, Tedeschi and Lindskold propose that people who are open minded seem to work better in bargaining agreements than people who are narrow minded. Similarly, people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

Check Your Progress

5. What does the theory of 'born' leaders suggest?
6. Define the learned characteristics of behaviour.

1.6 PERSONALITY AND ITS DEVELOPMENT

Personality of an individual plays an extremely important role in assessing the behaviour of a person at an organization. In case an individual who is holding a senior position in an organization has a wrong type of personality, it may lead to a very bad impact on the relationship between superior and his subordinates and ultimately it may lead to protests and unrest at the workplace. Sometimes the personality difficulties are the root cause of labour strikes. No matter how good the superior is in technical knowledge or other behavioural characteristics, it is the 'temperament' of the superior that is crucial in ensuring a cordial interaction with subordinates.

Personality has been defined by Salvatore Maddi as follows: 'Personality is a stable set of characteristics and tendencies that determine those commonalties and differences in the psychological behaviour (thoughts, feeling and actions) of

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people that have continuity in time and that may not be easily understood as the sole result of the social and biological pressures of the moment.' This definition however has several aspects which must be considered. Stability of characteristics is the first important aspect which needs to be considered. Consistency in an individual's characteristics will actually define the consistency of the behavioural patterns that may be expressed by an individual. If a person's entire personality could change suddenly, then we would not be able to predict his personality traits. For example, if a person is sometimes warm and friendly and at other times he is cold and hostile, then we cannot conclude that his personality is warm and friendly. Accordingly, when assessing a person's personality, we need to look for characteristics that are relatively stable or that change only very slowly over a long period of time.

Understanding the 'commonalities and differences' is another important aspect. This helps in assessing the different aspects that an individual has similar to others and what are those points which actually make him different from the others and set him apart as an individual. Each and every person is

- like all other people
- like some other people
- like no other person

Organizationally, a manager must understand that all subordinates are not alike and that each subordinate is unique and may or may not respond to the same stimuli, such as pay raise or reprimands.

Finally, we are interested in such aspects of personality that induce people to behave in a manner as required by social pressures or biological pressures. For example, if your boss wants you to do a job in a certain way, you will do it even if you disagree with your boss. That is a kind of social pressure. Similarly, you will stop working and go for lunch because you are hungry. That is a biological pressure. Hence, these behaviours do not require any explanation in terms of personality factors because the causes of such behaviour are clearly understood.

1.6.1 Determinants and Structure of Personality

Let us now study about the determinants and structure of personality.

Type A and Type B personality and behaviour

One dimension of personality that is getting attention both from organizational as well as medical researchers is the Type A and Type B behaviour profiles. The Type A behaviour individuals are most of the times restless and impatient in their expressions. They generally aim at perfectionism and want to achieve results as quickly as possible in lesser amount of time. The other type of the individuals are those with Type B behaviour. These are generally more relaxed and patient in their expression. They do not feel the pressure of timelines. These individuals are more philosophical in nature and are however less competitive.

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Some of the characteristics of the individuals with Type A personality are as follows:

- They are generally restless so they eat rapidly and keep walking or are generally on the move.
- They have the tendency to perform several tasks at one given time.
- They are generally impatient in their expressions; do not like to waste their time in waiting for others.
- They are also impatient about other individuals who are not really impatient.
- They have habit of starting with newer tasks before completing the previous ones.
- They normally schedule greater number of activities in lesser time though they are initially themselves not really sure that whether everything will be done or not.
- At times, they are involved in nervous gestures such as banging on the table and using clenched fists, etc.
- They generally do not have time to relax or enjoy life.

Thus, the Type A personality individuals are generally obsessive in nature. The managers who possess the traits of this personality pay attention to details, are hard-driving in nature and also keep their team members pushed towards achieving performance.

Individuals with Type B personality are generally opposite to the Type A individuals. These type of individuals are more relaxed and sociable in nature. They have a balanced outlook in life. Type A managers have difficulties in creating cordial interpersonal relationships and create a lot of stress for themselves and the people they deal with. They specially feel pressurized if they have to complete a task within a given deadline. Type B persons on the other hand, do put in extra effort in order to meet a deadline but do not feel pressurized.

Those persons who are classified as Type A have a strong desire and tendency to control all aspects of the situation, and if they are unable to control a situation, they react with anger and frustration. Because of their obsession with perfection, they are more apt to fear of failure and even if their work is good, they tend to underestimate the quality of their work. In case of negative outcomes, they blame themselves more than the external factors.

A comprehensive identification of Type A personality is given by Karen A. Mathews as follows:

> The Type A pattern can be observed in any person who is aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and if required to do so, against the opposing

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> efforts of other things or other persons. The overt manifestations of this struggle include explosive, accelerated speech, a heightened pace of living, impatience with slowness, concentrating on more than one activity at a time, self-preoccupation, dissatisfaction with life, evaluation of the worthiness of one's activities in terms of numbers, a tendency to challenge and compete with others even in non-competitive situations, and a free floating hostility. The major facets of 'core' elements of the behaviour pattern are extremes of aggression, easily aroused hostility, a sense of time urgency and competitive achievement surviving.

Research has indicated that such patterns of behaviour as exhibited by Type A personality profile, lead to health problems, specially heart related illness. In contrast, Type B persons may be hard working but feel no pressing conflict with people or time and hence are not prone to stress and coronary problems.

1.6.2 Assessment of Personality

While we know what personality is, we are interested to know how a given personality is formed. What determines an individual's personality? Personality can be compared to a jigsaw puzzle in which we are interested in finding out the sources of all the pieces in the puzzle as well as their interrelationships.

There are two broad categories of factors that influence the formation and development of personality. These are heredity factors and environmental factors. It is debatable as to which of these factors have a greater influence on the structure of personality. Some behaviour scientists argue that personality characteristics are derived from heredity factors and the right type of environment only brings them out. Others feel that the effect of environment is quite strong. According to Maier, 'knowledge, skill and language are obviously acquired and represent important modifications of behaviour. Learned modifications in behaviour are not passed on to children, they must be acquired by them through their own personal experience.'

Thus, a probable consensus can be reached that it is both hereditary and environmental factors together affect the personality development of an individual. There may be some environmental constraints or limitations at times which may not allow an individual to completely realize his potential. However, the complete potential of an individual comprising both physical as well as psychological aspects may be determined by the hereditary aspects that is the complex set of genes.

Personality traits and individual behaviour

There is an enormous number of human traits. It has been estimated that there may be as many as 5,000 adjectives that could be used to describe personality traits. As has been discussed before, personality is a set of relatively stable characteristics or dimensions of people that account for consistency in their behaviour in various situations. There are a few very important dimensions of personality which can be

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related to both interpersonal and organizational behaviour. These may be described as follows:

- **Authoritarianism:** When an individual blindly accepts the authority, it is referred as authoritarianism. The individuals believing in this concept have a high respect for authority and follow all the directions extended by the authority extremely obediently. They adhere to conventional values, are generally conservative, endorse strong parental control in keeping the family close and together, are concerned with toughness and power, are closed minded and generally less educated.

  Such people generally prove to be very good followers. This is because of their strong belief in the hierarchical order. They prove to be very good assets for a company when they work under the directions of a defined supervisor and they are extremely productive under an authoritarian organizational set up.

  'Dogmatism' can also be closely related with 'Authoritarianism'. Dogmatism refers to expression of rigidity in one's beliefs. A highly dogmatic person is closed minded, and believes in blind obedience to authority and intolerance towards others. They are generally known as fanatics such as religious fanatics or political fanatics like hard core communists or right wing Nazis.

- **Bureaucratic personality:** A bureaucratic individual also respects organizational rules and regulations but he differs from an authoritarian person in the manner that he may not blindly accept the directions of an authority. He also has respect for the authority; however this respect is not total and blind in case of a bureaucratic individual. Such individuals definitely value rules, policies, processes, regulations and subordination, formal and informal relationships in an organization. They are generally not innovative, do not take risks and are at ease in following established directives. Bureaucratic managers are better supervisors in types of work that are routine, repetitive and procedural.

- **Machiavellianism:** A sixteenth century author named Niccolò Machiavelli worked in the field of personality and identified personality profiles of the noble men of the day. The term called Machiavellianism has also been associated with the name of this author. This type of personality wishes to exercise a control over others simply by manipulating others. They do this primarily with the objective of achieving some personal goals. The individuals having this type of personality have high self-confidence and high self-esteem. They always take calculated steps and do not hesitate while using others for their own advantage and selfish interest. Their sole objective is to meet their own objectives and goals. They believe that ends justify means and do not feel guilty in using unethical means to serve their own interests. They are skilled in influencing others, and they approach the situations thoughtfully

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and logically. They would not hesitate to lie if necessary, and they are not easily swayed by a sense of friendship, trust or loyalty. They are especially successful in exploiting structured situations and vulnerable people.

- **Problem-solving style:** These individuals indulge in different ways and means and they have their own style of making decisions. These facets are also reflected through their personality traits. For example, some of the people with this type of personality are well planned, thorough in their approach, pay attention to details, etc. However, some others are impulsive and they just go ahead with something which is extremely obvious. The problem solving style has two dimensions. These dimensions are:
  - o Collecting and organizing data.
  - o Making decisions using the data and information gathered from the data.

  Further, in the process of information gathering also, two styles are involved. These are:
  - o **Sensation:** The first style is known as sensation. Sensation-oriented people prefer routine and order, structured situations, and put emphasis on precise and well-defined details.
  - o The second style known as intuitive style, involves individuals who dislike routine, dislike repetition and prefer new problems. They enjoy learning new skills but follow their instinct and jump to conclusions. Such persons often enjoy fantasy, daydream a lot and thus are subject to greater error of fact. They change their mind quickly and often do not finish what they start before going to a new project.

  Evaluation involves making judgements on the basis of the information so gathered. There are two dimensions involved in the evaluation style. These are:
  - o Emphasis on feeling
  - o Emphasis on thinking

Emotional people are sensitive to conflict and try to avoid issues that might result in disagreements. They are emotional and spontaneous and base their decision on how they feel about the situations. They do not like to hurt other people and friendly relationships to them are more important than efficiency or achievement. Feeling type managers find it hard to reprimand their subordinates for inadequate performances and would rather advise, guide and help them.

Practical people are more logical, analytical and use reason when solving problems. They are unemotional and are unsympathetic to other people's feelings when making judgements. They are very stubborn about defending their 'principles' and what they believe is right. They are organized and well-structured, and they carefully consider all options before making decisions.

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Introvert and extrovert personalities

Introvert personalities are generally shy in nature and they prefer to be alone. They do not freely communicate with others and may feel hesitant while communicating with others. The extrovert personalities are however different from the introverts and they are most of the times outspoken and outgoing in their behaviour. They are at times aggressive also and are capable of interacting effectively with people. According to L.W. Morris, the introvert is behaviourally described as 'quiet, introspective, intellectual, well-ordered, emotionally unexpressive and value oriented, prefers small groups of intimate friends and plans well ahead.' On the other hand, an extrovert is best described as, 'sociable, lively, impulsive, seeking novelty and change, carefree and emotionally expressive.'

From an organizational point of view, it can be assumed that most managers would be extroverts since a manager's role involves working with and through other people. One the other hand, an extreme introvert works best when alone in a quiet office without external interruption or influences.

Self-esteem

Self-esteem may be defined as the level of respect that one may have for himself. It may be defined as the measure of one's own confidence level. It is also indicative of the respect that one has for his capabilities and motivation standards. Self-esteem has been placed as a higher level motivational need of an individual as per the Maslow's model of hierarchical needs. Self-esteem can be correlated with traits like independence, creativity and assertiveness. The individuals with high self-esteem levels are generally very friendly in their behaviour. They are also affectionate and relate easily with people. They are good at interpersonal skills and are capable of appreciating other people for their positive qualities and strengths. Low self-esteem people are the people who are generally critical of others. They exhibit a depressing behaviour and most of the times indulge in blaming others for their own failures.

At the level of an organization, the people with high-esteem generally prove to be better performers than the ones with low self-esteem. The poor performance faced by the people with low self-esteem further reinforces their behavioural traits. According to Abraham K. Korman,

'People of high self-perceived competence and self-image should be more likely to achieve on task performance than those who have low self-image concerning the task or job at hand, since such differential task achievement would be consistent with their self-cognitions. This assumes that task performance is seen as valued.'

Check Your Progress

7. What is authoritarianism?
8. What do you mean by self-esteem?

1.7 ORGANIZATIONAL COMMITMENT

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In the field of organizational psychology, a person's attachment to their organization is referred to as organizational commitment. It was studied in order to encourage loyalty in employees towards their organization. Through organization commitment, one can measure crucial aspects such as organizational behaviour, turnover, and job performance. Some of the factors which play a significant role in ensuring organizational commitment are:

- Role stress
- Empowerment
- Job insecurity and employability
- Distribution of leadership

Many scientists have tried to define and measure organizational commitment. Among those Meyer and Allen's model of commitment is exemplary. According to Meyer and Allen, commitment has three components corresponding to three different psychological states. These components are:

- **Affective commitment:** Meyer and Allen defineaffective commitment as the employee's emotional attachment to the organization. A person who is emotionally attached to an organization, identifies with the company's vision and considers its goals as their own. An employee who is affectively committed strongly identifies with the goals of the organization and desires to remain a part of the organization.
- **Continuance commitment:** This component refers to the need of an employee to stay with an organization. It relies on an employee's understanding of pros and cons of being with an organization. As oppose to affective commitment, the employees are staying with an organization out of need rather than desire.
- **Normative commitment:** This commitment is based on a feeling of obligation that an employee feels towards an organization. This could be due to many reasons, for example, an organization may train an employee by investing resources, which can make an individual duty-bound to serve that organization or an organization's concern towards an employee's well-being could make employees feel morally obligated to work there.

However, this model has been critiqued by many. They found the model to be confusing an attitude toward the organization with an attitude toward a behaviour that is, leaving or staying. For them, organizational commitment is an attitude towards the organization, which should be measured accordingly.

1.7.1 Attitude: Nature and Dimensions

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If you ask someone 'how are you?' his response would depend upon his attitude towards life. If his attitude towards life is positive, he will say he feels very good and thank God for what he has. If his attitude towards life is negative, he will start complaining about everything that is wrong with the world. Similarly, if you ask someone about his job, you will find him to be very opinionated. He might say he likes his job very much or he might complain about the job bitterly. This would be a function of his attitude towards his job. Attitude is a collection of the type of personality, feelings towards the outside world, confidence within self and more.

Characteristics of attitude

Attitudes have four basic characteristics—direction, intensity, salience and differentiation. The direction of an attitude is favourable, unfavourable or neutral. We may like, dislike or be neutral in our views about a person, a job or a situation. The intensity of the attitude refers to the strength of the effective component. For example, we may dislike a person but the extent of our disliking would determine the intensity of our attitude towards him. Such dislike may range from weak to strong. In general, the more intense the attitude the more persistent will be such behaviour. Salience refers to the perceived importance of the attitude. Some people may not like to work with computers as they may not perceive it to be as important as a student in computer information systems for whom the knowledge of computers is mandatory for a career. Finally, attitudes can be high or low in differentiation depending upon how strong the supporting beliefs and values of the person are.

Components of attitude

The attitudes, irrespective of what they are, generally consist of three major components. These are:

- **Evaluative component**. The evaluative component of attitude is a function of how we feel about something. It refers to our liking or disliking for a particular person, any particular event or any particular situation. Such person, event or situation becomes the focus of our attitude and is known as *attitude object.* For example, you may feel positively or negatively about your boss, about your friend, about the movie you have seen or about anything you happen to see.
- **Cognitive component**. Feelings, however, do not simply and automatically develop. Most often they are based on knowledge. For example, if you know that your friend is talking ill about you behind your back, such knowledge would result in negative attitude towards your friend. Similarly, you might believe that your supervisor does not know much about the job. This belief is based upon your knowledge of how the supervisor is handling the job. These beliefs, which may or may not be justified comprises the cognitive component of attitude.

- **Behavioural component**. What you believe about something and how you feel about it would determine your behaviour regarding that particular person, event or situation. For example, if you believe that your boss is embezzling company funds, and you feel negatively about it, you are likely to behave with little respect for such a boss. You may either inform his superiors about it or you may want to look for another job. Such predisposition to act in a certain way contributes the behavioural component of the attitude. Such a predisposition may not actually predict your behaviour. For example, if your boss is embezzling company funds, you may take some steps or you might simply ignore it by convincing yourself that it does not directly concern you. In other words, your intention to behave in a certain way dictates how you actually do.

Based upon these components, attitudes can be defined as relatively stable clusters of feelings, beliefs and behavioural predispositions. By including the words *relatively stable,* we are referring to something that is not permanent nor fleeting. In other words, once attitudes are formed, they tend to persist and can only be changed by strong outside or inside forces. For example, your attitude towards someone may be negative but may change if situations or circumstances change.

Attitude and behaviour

It is assumed that the relationship between the attitude of a person and his behaviour is causal in nature, meaning that the attitudes that people hold determine their behaviour and what they do. Logic also suggests such a relationship. For example, people watch television programs that they like, that is, their attitude about such programs is positive.

Research conducted in the late sixties concluded that the relationship between attitude and behaviour is, at best, minimal. More recent studies have indicated that there is indeed a measurable relationship if moderating contingency variables are taken into consideration. The moderating variables which have been found to be most powerful include:

- Importance of the attitude
- Specificity of the attitude
- Accessibility of the attitude

Additionally, they have been also linked to existence of any social pressures on the individual and the direct experience of the attitude.

Attitudes that are considered important by the individual tend to be strongly related with behaviour. Similarly, attitudes that are specific are more predictable of behaviour. For example, if someone really likes his job, it can be predicted that he will stay with the company for a longer period of time. Attitudes that are frequently expressed are more reliable and more accessible to the memory and hence greater predictors of behaviour. Social pressures have a strong influence on attitudes and

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behaviour. For example, a member of a group may not agree with the group on certain issues but may go along, because of the social pressures within the group. Finally, the personal experiences with people and situations affect strongly the attitude and behaviour of a person. Positive experiences result in positive attitudes and negative experiences result in negative attitudes. For example, a student who has taken a course with a professor is in a much better position to evaluate him as compared to someone who has not taken his course.

The relationship between attitude and behaviour is well documented. However, a debate is still going on as to whether the changes in attitudes affect the changes in behaviour or whether the changes in behaviour affect the changes in attitudes. In other words, it is not clear as to which one is the cause and which one is the effect.

Attitude formation

The question often arises, 'how are the attitudes and subsequent behaviours formed?' While attitudes are basically learned over the years, some inherited characteristics do affect such attitudes. For example, physical characteristics such as the height of the person. Tall and slim people are expected to dress well and behave in a sophisticated manner. Similarly, intelligence is primarily an inherited trait and it is related to certain behaviours. Intelligent people are considered to be much more logical and this affects their attitude. Religion and religious beliefs can be considered as inherited, as the religion of the child is determined by the religion of his parents and it determines some aspects of individual behaviour, especially those that concern attitudes based on morals, ethics and code of conduct. Similarly, whether a person is born a male or a female determines some stereotype traits such as aggressiveness and physical stamina. Most of the inherited traits are strengthened by learning and experiencing.

While some attitudes are adopted early in life from our family values or cultural environment, most are developed gradually over time through experiences and observations. Some of the learned characteristics responsible for attitude formation are:

- **Experiences:** Our personal experiences with people and situations develop our attitude towards such persons and situations. Through job experience, people develop attitudes towards working conditions, salaries, supervision, group dynamics and so on. Similarly, interaction with other people would determine your attitude towards them. A positive interaction with a person would result in a positive attitude towards that person. Many people who are afraid of swimming or horse riding or darkness can trace back this fear to some fearful or negative experiences in these areas in the past.
- **Perceptual biases:** Perception is the result of a complex interaction of various senses such as feelings, seeing, hearing and so on and plays an

important part in our attitude and behavioural formation. For example, if a manager perceives a subordinate's ability as limited, he will give him limited responsibility. Similarly, we lose many good friends due to our changed perception about them.

- **Observation of the other person's attitude:** When we like someone, we try to emulate that person's attitude. For example, when we are impressed by someone keeping calm under stressful circumstances and we appreciate such calmness, we might try to do the same. Similarly, our attitude towards a spiritual person changes if we observe him committing what we consider a sinful act.
- **Association:** Our association with the group we belong to strongly influences our attitude. Our close association with a group would encourage us to be consistent with the attitude of the group. Belonging to an elite group or a religious group would determine some aspects of our attitude. Family association determines our attitudes from the very beginning. There is a high correlation between the parents and the children with respect to attitude in many specific areas. Similarly, attitudes of our peers as we grow older also influence our own attitudes. We make friends with people who share our own attitudes, interests and preferences. Many a times, our parents object to our friendship with persons whom they deem undesirable and encourage us to make friends with those who have an outlook similar to our own.
- **Personality:** Personality is a set of traits and characteristics, habit patterns and conditioned responses to certain stimuli that formulate the impression that a person makes upon others and this impression is a function of a person's attitude. This personality may come out as warm and friendly or arrogant and aggressive. From an organizational behaviour point of view, it is believed that people who are open-minded seem to work better than those who are narrow minded. Similarly, people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

Attitude measurement

In social settings, we can judge a person's attitude easily in the sense that we either like or dislike a given attitude. However, at work, it is more difficult to measure the attitude of workers towards work. Such measurement becomes necessary for the management to predict employee behaviour which will affect the quality of work. From the view point of measurement, attitudes may be defined by describing measurement systems that social psychologists use to measure attitudes. The most common and frequently used method of measuring attitude is by simply asking people about their attitudes towards various issues, people and factors. This is accomplished by attitude surveys and questionnaires. Generally, bipolar scales

are used to measure the attitudes towards a job in terms of liking it or disliking it. However, different scales have been created in order to measure the degree of such liking or disliking.

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One of the most commonly used ranking scale is the one which has five categories ranging from most favourable to most unfavourable. Typical categories and their ranks are:

- Strongly agree
- Agree
- Neutral (Undecided)
- Disagree
- Strongly disagree

The standard survey for measuring the attitude of the employees generally presents them with a series of statements and questions which also has a rating scale indicating the extent of agreement or disagreement as stated above. Some examples of statements are: 'This management is very fair in dealing with employees' or 'My job makes the best use of my abilities' or 'I know what is expected of me' and so on by totalling the responses on the customized questionnaire, the individual's attitude score can be calculated. The analysis and evaluation of these scores can then be carried out for different teams, work groups, departments or the complete organization.

The results of attitude surveys can sometimes surprise the management. One company management was very happy with the way things were going. Employees were actively involved in divisional decisions and the profitability was very high leading to the assumption that employee morale was very high. The management conducted a small attitude survey in order to confirm their thinking and belief. As a part of the survey, the employees were presented with some of the statements in order to identify their extent of agreement or disagreement. These statements included the following:

- At workplace, your opinions are given importance
- You are encouraged to become a leader if you are willing to do so
- Your personal development has been discussed with you in the period of last six months

The answers were totally unexpected. The results of the survey indicated that disagreement to the first statement was expressed by 43 per cent of the employees, disagreement to the second statement was expressed by 48 per cent of the people and 62 per cent employees expressed their disagreement for the third statement. Based on this survey, the management made some changes to boost the employee morale, especially giving attention to such matters that caused alienation among the employees.

By using such surveys on a regular basis, the management can get a valuable feedback about the perceptions carried out by the employees with respect to their working conditions. The management can also become aware of the different potential problems that may hit the organization. The diagnosis of these problems is possible at an early stage with such surveys. Once the management is notified of these problems, they can take needful steps in order to rectify these problems and timely actions can be taken in order to avoid any negative consequences.

One of the purposes of such surveys is to determine how variables relate to each other and how changes in one variable are associated with changes in another variable. For example, if we want to find a correlation between how fairly people believe they are being paid and various work-related attitudes such as their willingness to help co-workers. The researchers might find that the more workers feel that they are unfairly paid, the less likely they are to help their co-workers. Such studies can alert the management to take steps to create a more collegial work environment.

Attitudes and productivity

There are two key work attitudes, which determine the importance of attitude-behaviour relationship with respect to productivity. These are job satisfaction and organizational commitment. Equally important are the complex relationships between job satisfaction and job performance.

1.7.2 Perception and Learning

The psychological processes that allow an individual to adjust his behaviour is called perception. The behaviour of an individual is influenced by his personality, motives and efforts. The behaviour and performance provides satisfaction to the employee who gets stimulated to work more and develop his personality and work quality.

Behaviour is a victim of the environment, which is observed in the form of stimuli. The sensory organs perceive the stimuli as per their learning and personality. The reverse functions are also correct. Perception, if modified through adequate and qualitative stimuli, helps to develop learning and personality. Improved behaviour has better performance and rewards which provide more satisfaction to the employees. A satisfied employee tries to learn and work effectively. An organization grows with the developed employees. Perception is therefore an important and initial step for developing an organizational behaviour. It is a cognitive process which selects, organises and interprets the stimuli. It paves the base for behaviour. Although perception may not be a real-world presentation, it is an imaginary understanding of the situation. The behaviour of an individual is guided by perception. People perceive differently as per their learning and personality. The perceptual world of a manager is different from the perceptual world of employees. Social factors also influence the perception process. Employees coming from a poor family have different perceptions of an organization from those coming from

rich families. The levels of education, family background and political situation have a direct impact on the perception level.

Definition

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Perception may be defined as 'a cognitive process by which people attend to incoming stimuli, organise and interpret such stimuli into behaviour." Perception can also be defined as "a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment'.

The environment is a stimulus to influence behaviour, because the stimuli are attended, organised and interpreted to arrive at certain forms of behaviour. The sensory organs, i.e. eyes, nose, ears, skin and tongue, are used to change the stimuli into behaviour through their attention, recognition and interpretation processes. The information or stimuli are not accepted by individuals unless they are evaluated and interpreted by the mental processing system. Individuals attend to the stimuli, recognise and translate them into meaningful information, which inspire them to act and perform the job. These processes are known as perpetual process. When employees get satisfaction through their performance, either by meeting their physical or mental needs, they perceive the organization in the right perspective. It helps them understand the functions and achieve satisfaction.

Components of perception

Perception is a process of sensory organs. The mind gets information through the five sense organs, viz. the eyes, ears, nose, tongue and skin. The stimulation coming to these organs may be through action, written messages, oral communication, odour, taste, touch of the product and people. The perception starts with the awareness of these stimuli. Recognising these stimuli takes place only after paying attention to them. These messages are then translated into action and behaviour.

- **Stimuli:** The receipt of information is the stimulus which results in sensation. Knowledge and behaviour depend on senses and their stimulation. The physical senses used by people are vision, hearing, touch, smell and taste. Intuitions and hunches are known as the sixth sense. These senses are influenced by a larger number of stimuli which may be action, information, consideration and feelings, etc. The stimuli may be in the form of objects or physical commodities. The human body itself is developed through the acceptance of the stimuli. The mind and soul are the victims of these stimuli occurring in the surroundings of the people. The family, social and the economic environment are important stimuli for the people. The physiological and psychological functions are the result of these stimuli. The intensive and extensive forms of stimuli have a greater impact on the sensory organs. The physical work environment, socio-cultural environment and other factors have certain stimuli to influence the employee's perception. Perception begins only when people confront stimuli; that is, stimulating factors give information about the situation.

- **Attention:** Stimuli are selectively attended to by people. Some of the stimuli are reacted to while others are ignored without being paid any attention. The stimuli that are paid attention depend purely on the people's selection capacity and the intensity of stimuli. Educated employees pay more attention to any stimuli, viz. announcement of bonus, appeal for increasing productivity, training and motivation. The management has to find out suitable stimuli which can appeal to the employees at the maximum level. If the attention of the employees is not drawn, the organization cannot expect proper behaviour from the employees. An organization should be aware of all those factors which affect the attention of the employees. During the attention process, sensory and neural mechanisms are affected and the message receiver becomes involved in understanding the stimuli. Taking employees to the attention stage is essential in an organization for making them behave in a systematic and required order.
- **Recognition:** After paying attention to the stimuli, the employees try to recognise whether the stimuli are worth realising. The messages or incoming stimuli are recognised before they are transmitted into behaviour. Perception is a two-phase activity, i.e. receiving stimuli and translating the stimuli into action. However, before the stage of translation, the stimuli must be recognised by the individual. The recognition process is dependent on mental acceptability. For example, if a car driver suddenly sees a child in front of his running car, he stops the car. He recognises the stimuli, i.e. the life of the child is in danger. His mental process recognises the danger after paying attention to the stimuli. If he does not pay attention to the stimuli, he cannot recognise the danger. After recognising the stimuli, he translates the message into behaviour.
- **Translation:** The stimuli are evaluated before being converted into action or behaviour. The evaluation process is translation. In the above example, the car driver after recognising the stimuli uses the clutch and brake to stop the car. He has immediately translated the stimulus into an appropriate action. The perception process is purely mental before it is converted into action. The conversion is translation. The management in an organization has to consider the various processes of translating the message into action. The employees should be assisted to translate the stimuli into action. For example, the announcement of bonus should be recognised as a stimulus for increasing production. The employee should translate it into appropriate behaviour. In other words, they should be motivated by the management to increase productivity. During the translation period, psychological mechanism commonly known as sensory and mental organs are affected. They influence perception. The incoming stimuli are interpreted and perception is developed.
- **Behaviour:** Behaviour is the outcome of the cognitive process. It is a response to change in sensory inputs, i.e. stimuli. It is an overt and covert

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response. Perceptual behaviour is not influenced by reality, but is a result of the perception process of the individual, his learning and personality, environmental factors and other internal and external factors at the workplace. The psychological feedback that may influence the perception of an employee may be superior behaviour, his eye movement, raising of an eyebrow, the tone of voice, etc. The behaviour of employees depend on perception which is visible in the form of action, reaction or other behaviour. The behavioural termination of perception may be overt or covert. The overt behaviour of perception is witnessed in the form of physical activities of the employees and covert behaviour is observed in the form of mental evaluation and self-esteem. The perception behaviour is the result of the cognitive process of the stimulus which may be a message or an action situation of management function. Perception is reflected in behaviour which is visible in different forms of employees' action and motivation.

- **Performance:**Proper behaviour leads to higher performance. High performers become a source of stimuli and motivation to other employees. A performance–reward relationship is established to motivate people.
- **Satisfaction:**High performance gives more satisfaction. The level of satisfaction is calculated with the difference in performance and expectation. If the performance is more than the expectation, people are delighted, but when performance is equal to expectation, it results in satisfaction. On the other hand, if performance is less than the expectation, people become frustrated and this requires a more appealing form of stimulus for developing proper employee work behaviour and high performance. It is essential to understand the factors that influence the perception process and mould employees' behaviour towards the corporate objectives and self-satisfaction.

Several stimuli are observed everyday by individuals. They confront these stimuli, notice and register them in their minds, interpret them and behave according to their background and understanding. Employees confronted with stimuli select only a few stimuli of their choice and leave other stimuli unattended and unrecognised. Factors influencing the selective process may be external as well as internal, organizational structures, social systems and characteristics of the perceiver.

Determinants of perception

No doubt stimuli do play a significant role in the perception process as various factors relating to the perception process have been noticed by behavioural experts. The factors influencing perceptions are the perceiver's characteristics, object and situations. However, they can be analysed under specific heads such as the perceiver's characteristics, personal factors, internal factors, organizational structures and social conditions.

Perceiver's characteristics

Perception depends on how an individual views the objects and situations. Some employees may perceive the workplace as incorporating favourable working conditions, while others may perceive it as a place of good pay. The perception is not actual reality, but it is the viewing of the reality which differs from person to person according to their respective characteristics. Perceptions of the object are influenced not only by individual's characteristics but also by the characteristics of other employees, the manager's personality and employee's views from their perception of the workplace. The characteristics of employees, namely, attitude, motives, interests, habits, experience, expectations, learning and personality, have a greater influence on perception formation.

- **Attitude:**The attitude and aptitude of employees influence perception formation. If they have positive attitudes towards the management, they directly perceive the stimuli given by management. In case of negative attitudes, the employees suspect the management's approach. Employees of high aptitude have a desire and attitude for growth. They behave positively towards the management of an organization.
- **Motives:**The motives and desires of employees cause them to view stimuli differently as per their level and angle. Helpful motives of the employees will always assist the management. If they desire to develop themselves and the organization, they will perceive objects and situations positively. Employees having low motives will not work sincerely. The perception will differ depending on different types of motives. An indecisive manager perceives his supervisors differently. Personal insecurity of a manager results in doubtful perception about his supervisors, irrespective of their intentions. People who are dubious are prone to see others as dubious persons. Motives are reflected in actions based on perception.
- **Interest:**The interest of individuals draws more attention and recognition to stimuli. Less attention and recognition lowers the impact of stimuli or objects on behaviour. If employees lack interest, behaviour pattern will be less effective, and the perception will be weak. Managers cannot influence the employees in their work culture. Since individual interests vary from person to person, the perception is also different. However, the management tries to create interest among the employees to have higher perception of the organization.
- **Habits:**Habits die hard and therefore individuals perceive objects, situations and conditions differently according to their habits. Many employees learn quickly. Others are slow in perceiving a stimulus. Some employees are not bothered about the management. They do not perceive the object correctly. Some people work by smoking or chewing pan. Thus, the habits of people have different perception levels.

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- **Experience:**The experience of employees results in different levels of perception. A young employee takes time to understand the object and situation. Experienced employees generally understand objects quickly and correctly. However, in contradictory situations, it is difficult to correct aged persons, whereas the young are easily moulded towards achieving the objectives of the organization.
- **Expectation:**Expectations distort perceptions. People see what they expect to see. If they see the object and the situation differently from their expectations, they get frustrated. They are unable to modify their behaviour. The employees may expect more pay and so they perceive the management from that angle. The real stimuli are not properly perceived if expectations exist there on. The management has to evolve expectations for proper perception.
- **Learning:**Learning levels of employees have a great impact on their perceptions. It is an important factor influencing perception formation. Educated persons have higher perceptions than the less educated persons. Attitudes are developed according to the learning levels.
- **Personality:**Personality has different levels of perception. The personality of a perceiving person considerably affects the stimuli transformation behaviour process. Young people perceive objects and situations in the original form. Experienced persons perceive the objects as per their personality levels. Perception influences learning which is a developing factor of personality. The personality has a wider impact on the perception process too. Persons can view objects and situations as per their personality levels. The age, sex, motivation, learning levels, etc. influence perception.

External factors

The perception process is influenced by external factors which may be objects and situations. The external points related to objects and situations have great influence on the perception process. The external factors may be the size, interest, contrast, repetition, motion, familiarity, novelty and others.

- **Size:** The size of the object or stimulus has a greater impact on the perception process because the size influences attention and recognition in a more effective manner. Employees are greatly influenced by tall and well-built managers as compared to the normal-sized individuals. The engineering department pays more attention to big and attractive machines. Big-sized objects have a natural attraction and get more attention.
- **Intensity:**Researchers on human behaviour have revealed that the more intense the stimuli, the higher the attention and recognition in the perception process. A strong- voiced manager has more impact on supervisors and employees. It is observed that managers use voice modulation to get the attention of employees. Bright letters and strong appeal have more impact

on people than normal letters and low appeal. More attention results in a higher recognition and behaviour pattern. The intensity varies as per the needs of the organization. The same type of intensity may not be useful for all the situations and objects.

- **Contrast:** Contrasting objects have more impact on behaviour. Employees pay more attention and recognition to contrasting objects and situations. Machines making noises are hardly noticed, but a machine coming to a halt is immediately noticed because of contrast stimuli. Normal communication and performance have less impact than abnormal and contrast communication. The purpose of contrast stimuli is to attract more attention and recognition. However, if the contrast is not helpful in drawing more attention, it should be avoided and more attention-drawing stimuli should be exercised for gaining a real perception of work behaviour.
- **Repetition:**Repeated stimuli have more impact on performances than a single statement. Repetition has the advantage of being attention-catching. When stimuli are waning, repetition generates fresh attention and recognition. Supervisors repeat orders several times to have them followed by employees.
- **Motion:** People pay more attention to the moving objects than to stationary objects. This is just the impact of eyes on the mind. Workers are more attentive towards working machines than stationary machines. The video films of some training programmes create more of an impact on employees than others.
- **Familiarity:**Employees would like to hear and see those programmes with which they are familiar. Training programmes demonstrated in the language of the employees are highly attended and recognised. Examples which are known and easily understood are used for motivating employees.
- **Novelty:** Novel actions get more attention. New ideas and model preaching will draw the attention of the perceiver. Changing jobs reduce monotony. Novel objects and situations are recognised clearly by the perceivers.
- **Situations:**Situations have a great influence on people's perceptions. A favourable work environment develops a positive attitude and work culture because the perception process is easily channelized and rightly directed. The management style and functioning of the organization influences the employee's mental state through attention and recognition. Work relations also have some impact on perception forces.
- **Objects:** Objects are external factors influencing the perceiver because he has no control over them. The physical and internal attributes of objects are influencing factors of perception. The physical and time proximity, complex nature of objects, presentation of messages and the territorial approach of the management have great impact on the perception.

Internal factors

Internal factors are within the personal control of the perceivers. They use these factors when they so desire. They are based on the individual's psychological setup, economic and social background, learning, personality and motivation.

- **Psychological setup:**Factors such as attitude, interest, preferences, likings and other psychological bent of mind distort the perception process. People perceive what they like to perceive because of their attitudinal and mental approaches. These factors are the outcome of not only the self-factors of the individuals but their actions and interaction with other people. People working with employees help in the foundation of the psychological setup. One person's problem may be another person's satisfaction. For example, giving a higher bonus is a state of satisfaction to employees, but becomes a problem for managers.
- **Economic and social background:**The employee perceptions are based on economic and social backgrounds. The employee's level of understanding depends upon their economic and social backgrounds. Socially and economically developed employees have a more positive attitude towards development rather than less developed employees. However, developed employees are prone to decision-oriented functions. Conflicts between managers and employees will increase in this case. The problems can be resolved only through proper perception processes.
- **Learning:**The state of learning influences the perception process. Highly educated persons can easily and rightly perceive the management's problem. They cooperate in problem solution. On the contrary, less educated employees are less concerned about the management. They perceive the management as a separate and superior part of the organization, who tend to exploit the labour, irrespective of the reality. People perceive as per their levels of learning. It is therefore essential for the organization to make its employees knowledgeable and educated for their effective performance and behaviour. The learning of managers and workers is a twin requirement.
- **Personality:**The personality of the perceiver as well as the stimulator have an impact on the perception process. The age, sex, race, dress, facial expressions and body postures of both the persons have a direct influence on the perception process. If the perceiver is female and the stimulator is male, the perceiver gets some influences only if she prefers males. Otherwise, the perception process will be distorted. The ethnic personalities have some influence on perception. Physical and mental characteristics, work pattern and age similarities affect the perception process.
- **Motivation:**The pattern of motivation in an organization helps to develop perception building. Motivated people have the right perceptions about the stimuli, whereas the loco-profiled workers are doubtful about the message

given by the management for the development. The approach of the female managers to problems is given more attention and recognition. Motivational theories have revealed the perception processes of particular categories of employees. Attention is drawn towards their needs, satisfaction and achievement desires. The mental state of motivational desire influences the perception process.

Stimuli based on external factors receives varied degrees of attention and recognition. Internal factors that is, factors related to employees and managers, have different degrees of impact on the attention and recognition process while being translated into behaviour which results in performance.

Organizational structure

The perceptual process is influenced by the organizational structure and process. The perceptual structure, perceptual grouping, constancy, context, defence, workplace and process have been recognised as important factors influencing the perceptual process.

- **Perceptual structure:** The organizational structure influences the perception of employees and other people related to the organization. The departmentalisation, decentralisation, delegation of authority and other structural frameworks have important bearings in the mind of employees. An adequate amount of decentralisation makes employees feel that the organization is welfare-oriented. Similarly, too much centralisation gives rise to the feeling of suspicion in the minds of employees. Structure itself becomes a flowchart of perception. Work relations and the decision-making authority provide an important understanding of organizational perception. If the structure is viewed positively by the employees, they willingly contribute to the development of the organization.
- **Perceptual grouping:** The manager generally groups all the stimuli together to influence the employees. The grouping is done based on closure, continuity, similarity and proximity. The closure doctrine of grouping is based on the Gestalt Principle of psychology wherein the individuals perceive the whole object although the whole unit does not exist. For example, the manager perceives that all the members cooperate with him in achieving computerisation, whereas some members really oppose mechanisation. The manager tries to close the disagreement and maintains uniformity in agreement for mechanisation. On the other hand, if the members do not withdraw their disagreement, they observe their individual perceptions.

  The continuity principle emphasises that the stimuli should continue to make an impact on the perceiver. Discreet stimuli may however distort the perception process. The continuity principle is different from the closure principle as missing stimuli are applied in the latter case, whereas a continuous link is maintained in the former case. It is observed that only continuous and

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related stimuli are easily attended and recognised. The obvious and continuous flow of stimuli may produce the desired behaviour.

The similarity principle assumes that similar stimuli are easily attended, recognised and perceived. The similarity has its own impact on the employees. For example, employees wearing special clothes at the workplace automatically carry the message of the organization. Similarity in age, sex, education and other characteristics have a direct impact on the employee's perception.

The proximity principle refers to the grouping of the segments into one unit. Nearness of stimuli will be perceived as wholesome for the group. All the stimuli are considered one because of physical proximity. For example, all the employees in one cadre will be considered as one group which is stimulated by the proximity of stimuli. Departmental employees are considered as a single group employees because of proximity. They are motivated on the basis of proximity stimuli.

- **Perceptual constancy:**Perceptual constancy plays an important role in the perception process. The stability and invariability of objects help in the constant perception process of people. The constancy of stimuli helps in easy perception because people become accustomed to the stimuli. The size, shape, place and colour of objects and situation are easily observed if they are constant. Constant stimuli make the perception process easy and effective.
- **Perceptual context:**The context of the stimuli with reference to objects and situations has a meaningful impact on the perceiver. If the perceiver has the confidence that the stimuli are relevant to their work and awards, they may pay more attention to the perception process, policies and objectives relevant to employees. Welfare is paid more attention. Verbal communication in the relevant context is given more perceptual consideration.
- **Perceptual defence:**The defensive role of the management is well recognised by the employees. There are many areas where employees develop conflicts which are resolved by the management. Such functions which provide defence to conflicting views are given more importance by employees. People like to defend their professions, work and work relations, if they are satisfied. On the contrary, dissatisfied workers criticise their own work and workplace. Many workers perceive conflicts as not being very serious. They only perceive conflicts as casual and to be expected, without any significant features. Some employees however find conflicts alarming. They react to warning signs and perceive the situation differently. Managers can find different perceptions for their actions because they view the situation from the angle of defence.
- **Perceptual workplace:**The perceptual process is affected by the workplace too. The climate temperature, noise, smoke and other factors

have a direct bearing on the perception and psychological traits of employees. Consequently, the perceptual process is different for different employees. Some employees develop a positive perception while others develop a negative perception of the workplace. All employees perceive the same situation and object differently because of the varied nature of their workplace.

- **Perceptual process:**The relationship between employees and managers is crucial in the perceptual process. Employees may perceive a low output with pleasure to influence their supervisor. The management has a different perception of performance and evaluation. Some may perceive a self-fulfilling prophecy by the management, when they have too high or too low expectation from employees. High expectation inspires managers to motivate their employees positively. Managers develop subjective attitudes many times about the performance and process. Besides, the employees' efforts are also considered for performance and process valuation. During the work process, some employees are troublemakers and some are loyal. The perceptual process is an important factor for the perception process of management and employees.

Social factors

Social conditions have much influence on the perception process. Perceivers and the perceived objects have complex characteristics. They are perceived differently in different situations. The attributes of objects are important considerations influencing the selectivity process of perception. Attributes of objects, the subject, the situations and the perceiver have become so important that a separate theory known as attribution theory has been developed under the perception theory. Social factors consider how one person behaves towards the other person and how other people behave towards him. The interaction between the manager and his subordinates is considered under social factors which include the stereotyping effect, the halo effect, contrast effect and projection.

Making judgements about others or stereotyping

The perception process takes the shortest method in some cases and considers only routine effects. Stereotype judgement is based on an ideal situation or the type of impression formed about the group. It is the consideration of individual's characteristics as being representative of the whole group. If an employee is found well behaved, the whole group of employees is considered to be good. If, in an organization, a manager is helpful, it is generalised that the organization is very helpful and sympathetic towards employees. It is an inductive method wherein conclusions are aggregated from individual performance; that is, it accumulates particular cases to arrive at general conclusions. Stereotyping is generalisation which has the advantages of being time saving, accurate and common. For example, assume that the management has previously found that sportsmen and athletes

have been very successful workers in the factory. They were ambitious, hardworking and can easily overcome adverse situations. In future selection process, the management may appoint such sportsmen and athletes without undergoing many selection procedures. Similarly, many decisions are taken on the basis of the stereotyping effect. The generalisation may prove disastrous if it is relied on heavily without proper scrutiny and examination of individual characteristics. The most important stereotyping effects are observed in the form of age, sex, nationality and social status.

The stereotyping effects under social perception consider the attributes, traits and other qualities of a member of a social organization. These qualities are generalised as the qualities of the social organization or group. However, there may be perceptual errors, because the generalised attributes and qualities may not be found in all the cases. Therefore, the perception process takes into consideration the amount of perceptual errors when deriving conclusions based on stereotyping effects. Favourable and unfavourable traits are always calculated and evaluated to find their impact on the behaviour or decision taken. Stereotyping has become an important factor of social perception, which is based on ethnic groups—socio-economic groups, demographic groups and so on. The individual difference in the group is recorded to evaluate the perceptual errors in arriving at stereotyping effects.

The belief factor in stereotyping effects has become an important tool to arrive at certain decisions. One can conclude that an organization has a democratic manager. The common characteristics are the basis of belief. If a manager belongs to the said democratic organization, one can believe that he will also have the same characteristics. The errors may be there in belief because of ignoring variations in characteristics and holding mistaken beliefs. The beliefs or stereotyping effects are modified from time to time to arrive at correct perception behaviour and decisions.

Meaning, definition, nature and characteristics of learning

Learning has been defined by several authors in different ways. All of them have accepted that learning shapes human behaviour. Employees may learn knowingly or unknowingly in the organisation. Tim R.V. Davis and Fred Luthans have defined learning as a cognitive and modelling process for acquiring knowledge and experience. They have analysed different theories of learning for explaining the learning process. Robbins has stressed upon learning as a "relatively permanent change in behaviour that occurs as a result of experience." He has opined on experience only, although an employee might change his behaviour as a result of a social process. Learning is a process of observation, action, reaction and response to some stimuli. Learning is a process of change in behaviour. The outcome of learning is a permanent change in behaviour. Therefore, learning is a permanent change in behaviour as a result of a cognitive process. A temporary change in behaviour is not learning because it is purely reflexive. Change in behaviour is the

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necessary outcome of learning. If it is purely theoretical or attitudinal, it would not be learning. A cognitive change process in the mind of an employee resulting in behaviour is learning. "Learning is the process by which an activity originates or is changed by reacting to an encountered situation, provided that the characteristics of the change in activity cannot be explained on the basis of native response tendencies, maturation or temporary states of the organism." This definition includes almost all the attributes of learning. It reveals that learning is the inferred process which influences behaviour. The learning is an original activity for the employee. He gets new things or may change his process as a result of observation and cognitive processes. The learning can take place only when the employee reacts to the stimuli, evaluates and accepts the stimuli for changing his behaviour. Learning must be deliberately accepted. It does not include maturity, temporary changes in behaviour and the natural process of behaviour. Behaviour is learned through a cognitive process. It is not a spontaneous and natural process. A child knowing the language of her mother is not learning, because it is a natural process. Children learn good habits and sports on account of their environment which is a stimulus of learning. The learning process starts with motives and continues with cues, responses and reinforcements until the learner acquires the required changes in behaviour permanently. Learning to drive a car is a good example of a learning process.

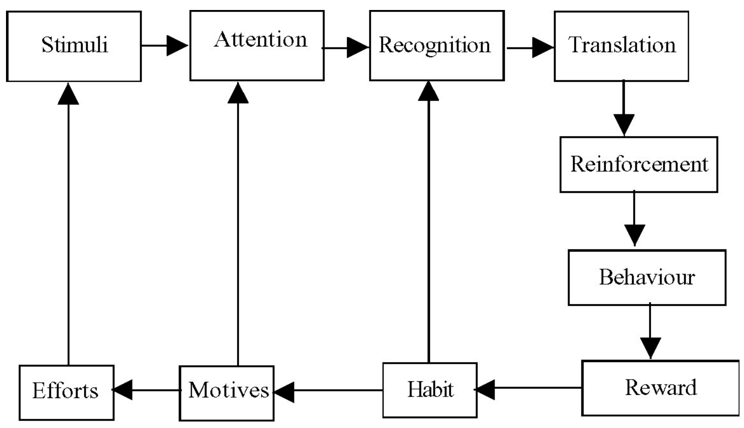


Fig. 1.1 *Learning Process*

The learning process is a mental and habit formation process. Attention is paid to certain stimuli used for learning which are recognised and translated into reinforcement and behaviour. If the learner gets a reward for his improved behaviour, he forms it into behaviour. Proper habits motivate the employee who makes efforts in the right direction. The efforts result in satisfaction and become a stimulus for further learning. The employee pays further attention, recognises and translates stimuli to strengthen habits. This process continues and the employee learns and effects permanent changes in his behaviour which become a part of his habits. The habit helps in recognition of good behaviour. A habit motivates an employee to perform better. It helps him pay proper attention. He learns constantly and effects

a permanent change in behaviour. Learning improves behaviour. This process continues and the employee learns in the process.

The learning process

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The learning process involves:

- **Stimuli:** Stimuli are any objects and language which draw the attention of people. Employees get stimuli from the actions of their superiors. Superiors tell and advice employees who pay attention to these stimuli. All the stimuli may not be fully attended to. Literary works are also stimuli which are given attention by educated employees. Stimuli are provided at jobs by perks and scores. Universities and colleges also impart stimuli for learning. Stimuli provides quality performances. Practical training and vocational teaching are forceful stimuli. The stimuli available at work are numerous. Social, political, cultural and geographical factors provide varieties of stimuli for learning.
- **Attention:** The degree of attention depends upon the nature of stimuli. All stimuli are not paid attention to. Technical and interesting stimuli are highly attended. Career oriented stimuli are generally accepted by employees. The personality levels of employees influence their desires to learn, motives for need fulfilment and tension reduction. Employees having more values of life pay more attention to the stimuli for acquiring more knowledge and experience. People's creative attitude are favourable factors for learning and paying more attention to available stimuli.
- **Recognition:**Attention-paid stimuli are recognised as acceptable factors of improvement and new life styles. Employees paying attention to stimuli are recognising the stimuli for learning purposes. The levels of recognition depend upon the levels of values, preferences, needs and desires of the employees. When objectives are unclear, employees do not pay attention and do not recognise the training as a fruitful process of improvement. In the learning process, unambiguous activities must be observed for recognition by employees as useful factors for their well-being and satisfaction.
- **Translation:**Recognised stimuli are evaluated at the mental level to eliminate the irrelevant points for accepting a part of the stimulus for changing behaviour. The evaluation and appraisal of the recognised stimuli helps in reinforcement. An activity will not take place unless it is found useful by employees. The translation and evaluation process is a crucial point for implementing the stimuli in behaviour through reinforcement. Employees behave properly through attitude changes, objectivity, mental and physical development. It is observed in better performances.
- **Reinforcement:**Reinforced perception is learning. The perception process includes stimuli, attention, recognition, translation and behaviour. Perception leads to learning, but perception itself is not learning unless it is reinforced.

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Repeated action is reinforcement. Reinforcement may be positive, negative, punishment and extinction. Learners learn as per their perception levels. Generally positive reinforcement is more effective for making permanent changes in behaviour.

- **Behaviour:**Learning changes behaviour through reinforcement of perceived knowledge. It makes permanent changes in behaviour. A temporary change in behaviour is not learning. Positive behaviour gives rewards to employees.
- **Reward:**Employees expect rewards for learning. If the translated behaviour provides a reward, it is accepted, otherwise it is not accepted. Employees develop their behaviour into habits. Rewards may be monetary or non-monetary. A non-monetary reward includes job satisfaction, status recognition and task achievement. Professional satisfaction is attached to the behaviour which influences the form of reward. The behaviour of employees decides the level and form of reward. The reward reinforcement makes employees learn more than positive reinforcement behaviour.
- **Habits:**A permanent change in behaviour becomes a habit which helps continuous improvement in behaviour and performance. Employees develop the habit of self-appraisal and development. It helps to instil creativity and confidence in employees who are encouraged to behave properly again and again. Right behaviour is reinforced repeatedly. Habits help the development of capability and capacity of employees. Habits translate theoretical knowledge into practice. Skill development requires habitual performance.
- **Motives:**Motives depend on the level of satisfaction. Employees getting more satisfaction through learning develop high motives. Less satisfied learners have low motives. Learning is complete only when motives are fully realised and translated into efforts.
- **Efforts:**Habits help achieve good efforts and performance. This is a continuous process. Efforts are the automatic outcome of good habits which are acquired through the learning process. Self-development is possible through self-effort. Employees willing to develop themselves are self-motivated and effort-oriented. Efforts become the stimuli for learning after development of the standard of employees. Self-learning has been observed when employees have developed good habits and right motives. The learning process itself provides all these opportunities.

The learning process is totally associated with the mental process, inspiration and action. Stimuli reach only the unconscious mind. If it pays attention to stimuli it goes to the inner-level of the mind at subconscious level. Attention is paid by the subconscious mind which analyses the stimuli and filters out irrelevant stimuli from the employee's angle. The relevant stimuli are attended to, but a smaller portion of the stimuli attended is recognised by the clear mind. Recognition of stimuli is done only by the clear mind. The stimuli recognised further go to the inner part of the

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mind only when the clear mind has received them and the feeling cell of the mind evaluates their utilities. A felt mind has the capacity to evaluate and appraise the recognised stimuli. The evaluated stimuli if found correct are stored at the level of the feeling cell of the mind. The stored stimuli or retention work for mobilising the function through reinforcement. Repeat and recall are mobilising factors for action. Similarly, a tense mind gets reinforcement; it compels and forces the heart to activate the body for action and behaviour. Intensity at the mental level activates the heart to function. The level, quality and direction of intensity give the behavioural function a real shape. Behaviour is the outcome of intensified stimuli and the heart's activitisation. Behaviour producing reward helps the mental process to think and rethink again and again at all the five levels of the mind. The reward itself becomes a stimulus which is attended, recognised, translated and reinforced respectively by the unconscious, subconscious, clear, felt and intense mind. It reaches to the heart level, and consequently this process develops into a habit. Permanent changes in behaviour converge in the form of a habit.

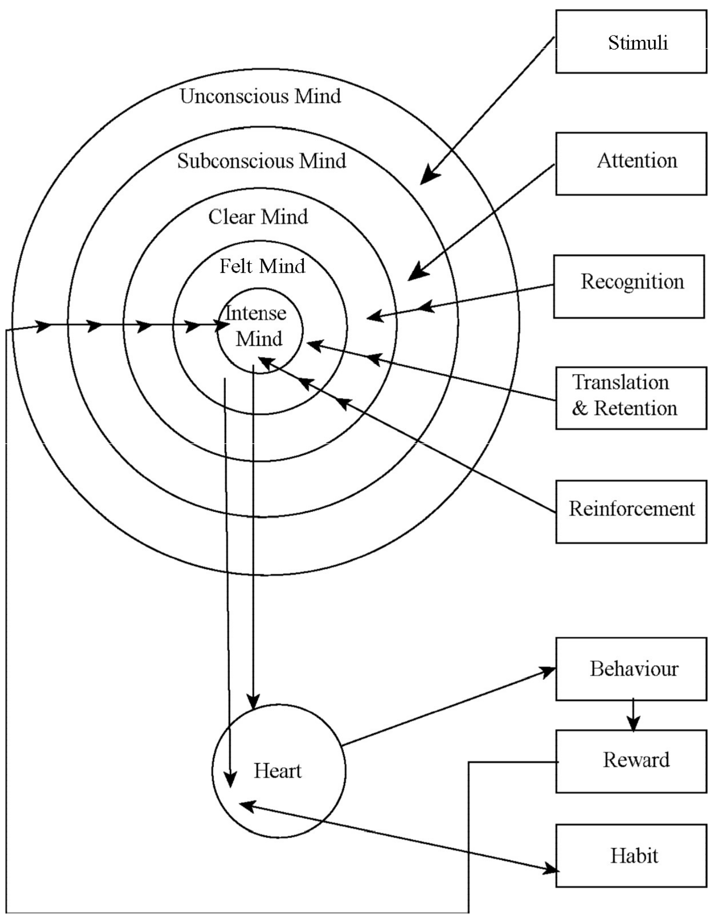


Fig. 1.2 *Biological Presentation of the Learning Process*

Employees learn to behave properly. The process will be more effective if each and every process is given due importance and placed at the respective level.

1.7.3 Motivation

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The meaning of motivation has been given by different authorities in different ways. Bernard Berelson and GraryA.Steiner have given the definition: 'A motive is an inner state that energises, activates or moves and directs or channels behaviour towards the goals.' It reveals that motivation is an inner condition of people which energises people to work hard. Motivation arouses or incites activities. Motivation is used to direct employees to achieve goals in the right perspective. As a process of motivation, the management watches how employees start, stop and sustain the work spirit, so that they are properly directed and channelized towards the achievement of goals. S.P. Robbins has defined motivation as 'the willingness to exert high levels of effort toward organisational goals, conditioned by the effort and ability to satisfy some individual need'. Motivation is exercised to achieve goals of employees and the organisation. Employees are interested in satisfaction and the organisation aims at achievement of the organisational goals. Motivation for achieving organisational goals tries to provide maximum satisfaction to employees by fulfilling their desires, needs and wishes. It takes place within a culture, reflects an organisational behaviour model and requires communication skills. Motivation is a successful communication method. It should understand employee's drives and needs as well as their consistence with organisational goals.

Motivation is always directed towards achievement of high levels of work. Favourable jobs and high performance and quality of work, employees' levels of performance and their qualifications are considered for motivation.

Basic model of motivation

Motivation is based on need which is a feeling of lacking something. A feeling of need or unsatisfied need creates tension that stimulates drives within individuals. These drives generate search behaviour to find ways of satisfying the needs. It will try to achieve the goals. Satisfied needs reduce the tension and provide satisfaction.

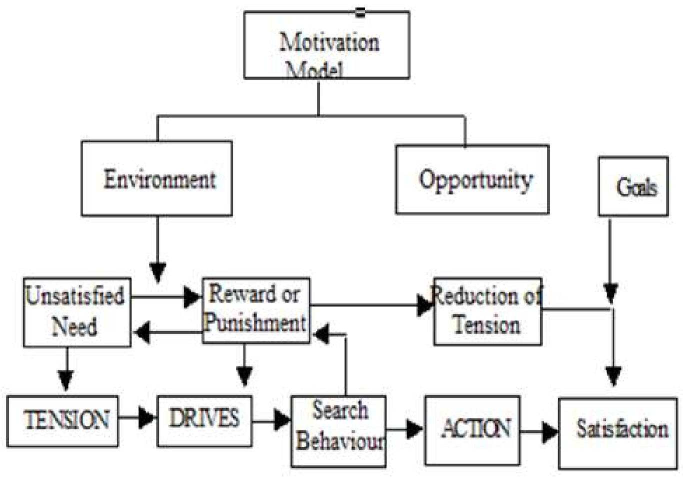


Fig. 1.3 *Motivation Model*

Need is a feeling of deficiency. It creates physiological and psychological imbalances which create tension in the mind of the employees. The employee's drives are energised and activated to find satisfaction through goal achievement. Drives are strong feelings of deprivation which target certain goals. They lead to action and provide energy for achievement. Drives lead to search for the proper action which will provide satisfaction. Goal achievement leads to reduction of tension. It restores physiological and psychological balance. Motivation is a natural process, wherein felt needs are recognised. Need creates a state of disequilibrium, i.e. tension which is to be reduced through behaviour. An individual will search for the right behaviour for getting satisfaction. He will select suitable strategies for the purpose if he is adequately qualified. Motivation therefore depends on ability, experience, education, background and skills of individuals. The satisfying tools may be financial and non-financial rewards and punishment. The motivation cycle leads to satisfaction. If the needs are unsatisfied, the motivation cycle is repeated till the needs are satisfied. During the process, unsatisfied employees may create some problems which should be solved immediately to satisfy the employees, as otherwise a vicious circle will be created which will mar the motivational process.

Motivation consists of drives, which are based on the cultural environment in which the person lives. The cultural environment and drives affect the employees' desires to work and their approaches to the problems. Besides national characteristics, desires of achievement also influence motivation levels.

Types of motivation

Motivation has been observed in different forms and types, depending upon various environments, opportunities, goals, abilities and many other factors. These motivational factors are mainly divided into primary motivation and secondary motivation.

Primary motivation

Many motivation drives and motives are unknown to the individual, although they exist in them and motivate them indirectly. Since these drives and motives are physically attached to people, they are known as primary motivations. They are biological, and the word primary does not mean that these motives take precedence over other motives. Primary motivation are basically related to human needs for psychological satisfaction. Primary motivation are unlearned and natural, relating to physiological needs. Primary motivation may be of a general type which are naturally felt by the individual. They are competence motives, curiosity and affection. These primary motivational drives use manipulation and activity to achieve satisfaction. Satisfaction here means the fulfilment of basic human needs.

- **Competence motives:**Natural motivation depends on several unknown factors such as competence, curiosity, etc. Many authors have tried to explore competence and other factors to find their impacts on primary

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motivation. For example, human and other organisms have the capacity to interact with the situation. They have the capacity, very well known as competence, to understand the situation, its exploration, manipulation and different functions. The capacity to interact with the environment has been termed competence motives by Robert W. White, who explained that competence motives receive substantial contributions from activities. They direct, select and persist with the environment. Competence to act, interact and counteract with the environment is the basic foundation of primary motivation. People try to have control over the environment or behave sensitively within the given environment. The competence motives vary with age, sex and education. Competence drives help children to learn many things automatically, for example, riding a cycle, crossing a road, the reading habit, learning the mother's language, culture and so on. These basic factors or natural competence are explored, developed and sustained by children and are preserved in them till old age. The intensity of a child's competence motive shapes his adulthood motivation drives. Based on these competence motives, some employees prefer rough and tough jobs, others like to work on sophisticated machines while yet others feel happy with table work. While designing jobs and assigning them, competence motives are deeply considered to make the employees highly motivated to achieve their goals.

- **Curiosity motives:** Primary motives have unlearned drives to explore and manipulate objectives. Curiosity is one of them, which inspires people to adopt a significant activity. Without curiosity, one cannot desire to learn and direct his activities. Many times, students express their curiosity to perform a particular function. Due to curiosity, they learn many new schemes. Employees are motivated, because they have a curiosity about development. In the absence of curiosity, employees become dormant and sleepy and will not take interest in organisational activities.
- **Affection motives:** Primary motivation includes affection motives. Love and affection are part of human enjoyment, which are aimed at by the employees. People work because they want to support their families. If their family needs are fulfilled, they are inspired to work hard. Love and affection have become prime movers of people's activities.
- **Human needs:** The primary motivation includes satisfying human needs. People work for satisfying individual and family needs of hunger, clothing, housing, education, etc. The present and future needs, need to be satisfied by working people. No one would like to work if the basic needs are not satisfied. Social and psychological needs are part of secondary motivation. Primary needs such as the need for food, water, air, comfort, shelter and safety are the prime motivation needs. These human needs are to be satisfied or for making individuals active.

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Secondary motivation

Secondary motivation is learned whereas primary drives are unlearned and are as natural as feelings of thirst, hunger, etc. Secondary motives are learned and realised as a result of development. As human beings develop and learn many new ways of satisfaction and comfort, secondary motives crop up, which prevail in a cultured and educated society. Secondary motives do not remain secondary in a developed organisation, rather they become essential for moving the activities of educated people. They become prime movers of developed people, because it is natural to feel these needs. Many authors have emphasised the separation of secondary motivation from primary motivation to retain the identity of each. Secondary motives are always learned. They are achievement motivation, affiliation motivation and power motivation.

- **Achievement motivation:**People are achievement oriented. A perception test has revealed that many employees work for achievement of satisfaction while working in an organisation and getting satisfaction thereof. Knowledge and learning have become helpful for developing achievement motivation. Many psychological tests have revealed the levels of achievement motivation. Mcclelland has devised techniques to measure Need for Achievement (NAch). He has revealed the qualities of high and low achievers. High achievers are not necessarily risk takers. They are cautious and careful persons. They are moderators. People believing in high achievement need immediate feedback. They find achievement an intrinsic satisfier. The material rewards and other results are not important to high achievers. They believe in work only and care little about the results and rewards. They are preoccupied with their work until the work is completed. They do not leave any work unfinished. However, high achievers are divided and live alone. They like peace and solitude. They are realistic, aim for excellence and show good behaviour.

  Low achievement oriented people do not bother about goals. They like to work for rewards and results and not for individual job satisfaction. They are pessimistic. They do not like subordinates to enjoy the fruits of achievement. They do not care about people and production. High achievers on the other hand are an asset to the organisation as they feel personally responsible for action and results.

- **Affiliation motivation:**Affiliation motivation is related to social motives. People like to be recognised by the society. Employees feel happy when they are complimented for services rendered. They get inner satisfaction while being in the company of friends and a large number of people. They like freedom to mix with other colleagues. If an employee is associated with some social organisation, he is liked by his friends. Thus affiliation motives help people develop. Persons having affiliation attitudes are in a better position to manage their employees. The employees also enjoy working

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with an affiliation oriented manager, because the latter easily assigns tasks. He gets an opportunity to monitor work and direct work activities. Affiliation motives are useful for group dynamics.

- **Power motivation:** Many people desire power in order to influence others. Power- oriented people are also management-oriented. Institutional power is better than individual power, because the former is used to influence the behaviour of employees to make them more productive. Qualified people prefer to seek power through legitimate means. They want leadership through successful performances.

1.7.4 Ability

A good person–job fit requires a consensus between the abilities and aptitudes of employees. Ability is the capacity to do physical and intellectual tasks. Aptitude is the capacity to learn the ability. People differ in their abilities and aptitudes. A person may have the ability to play cricket as well as Sachin Tendulkar or sing as sweetly as LataMangeshkar but may not have the aptitude to do so. Most of us do not have the aptitude to match the abilities. Managers should be clear about the abilities that are required to do a particular job and ensure that the employee chosen to do the job has the ability to do it, as also the aptitude to learn it. The aptitude to learn does not diminish with age. People who lack either the ability or the aptitude to do a job are likely to fail and be dissatisfied. Those who have the aptitude can make an effort to learn, but those who lack the ability are likely to face problems. Those who are highly competent or highly skilled may also get demotivated. Therefore, the key is in finding the right match between the abilities of the person and the demands of the job. There are other related factors that affect the performance of the individual at the job besides his personality such as perception, learning, attitude, and values, which have been discussed in the later chapters.

How do personalities differ?

As mentioned earlier, personality is the set of traits and behaviour that characterize an individual. The longer and better we know someone, the more likely we are to recognize the pattern of how that individual responds to various people and situations. The clearer and more enduring the pattern of responses, the more we attribute it to the individual's personality. Managers and others use personality to understand and predict an individual's behaviour and to define the essence of an individual.

Heredity and learning determine personality

Personality emerges over time from the interaction of genetic and environmental factors. To a large extent, genes predetermine an individual's physical characteristics, and they contribute to other important personality characteristics such as intelligence and temperament. Gender, race, size, appearance, and even health and energy are influenced significantly by genes.

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Although heredity plays a role in the development of personality, it is clear that learning is also vitally important. One of the major characteristics that distinguish human beings from other species is that human beings have a significantly greater capacity to learn, remember and think about what happened in the past, is happening in the present, and might happen in the future. Individuals learn and acquire knowledge, abilities, values, and attitudes. Individuals learn their own motives. Overtime, their pattern of behaviour becomes identified as their personalities.

People's personalities become clearer and more stable as they grow older. Personality can change and may do so slowly over the years. The more set the individual's personality becomes, the greater the need for conscious effort to modify it. For example, someone who is used to arguing strongly in favour of their point of view would in all probability find it difficult to passively listen to those who differ.

Personality can be conceptualized from a variety of theoretical perspectives and at various levels of abstraction and breadth. Each of these perspectives helps us understand the complexity of human behaviour and experience.

Check Your Progress

9. What are the factors which play a significant role in ensuring organizational commitment?
10. State the four basic characteristics of attitude.
11. What is perception a result of?
12. What is behaviour an outcome of?
13. How does motivation help to develop perception?
14. Why is a temporary change in behaviour not considered learning?
15. How does S.P. Robbins define motivation?
16. What is the difference between ability and aptitude?

1.8 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The study of behaviour is essential because of the different nature of people. Besides individual differences, people are whole persons and total human beings.
2. According to Fred Luthans, organizational behaviour 'is directly concerned with the understanding, prediction and control of human behaviour in organizations'.
3. Diversity can be defined as a mixture of people who vary by age, gender, race, religion, and/ or lifestyle.

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4. Organizations choose international locations for some of their facilities as these organizations want to establish sophisticated manufacturing and service operations that promise growth, not just cheap labour. New technology and continuing drive for greater profits push organizations to build plants and offices in other countries—plants that require only a fraction of the employees required in plants back home.
5. The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited.
6. Those characteristics that are a product of our exposure to various situations and stimuli, both within the family and the outside environment are known as learned characteristics of behaviour.
7. When an individual blindly accepts the authority, it is referred as authoritarianism.
8. Self-esteem may be defined as the level of respect that one may have for himself. It may be defined as the measure of one's own confidence level.
9. Some of the factors which play a significant role in ensuring organizational commitment are:
    a. Role stress
    b. Empowerment
    c. Job insecurity and employability
    d. Distribution of leadership
10. Attitudes have four basic characteristics—direction, intensity, salience and differentiation.
11. Perception is the result of a complex interaction of various senses such as feelings, seeing, hearing and so on and plays an important part in our attitude and behavioural formation.
12. Behaviour is the outcome of the cognitive process. It is a response to change in sensory inputs that is, stimuli. It is an overt and covert response.
13. The pattern of motivation in an organization helps to develop perception building. Motivated people have the right perceptions about the stimuli, whereas the loco-profiled workers are doubtful about the message given by the management for the development.
14. Learning is a permanent change in behaviour as a result of a cognitive process. A temporary change in behaviour is not learning because it is purely reflexive.
15. S.P. Robbins has defined motivation as 'the willingness to exert high levels of effort toward organisational goals, conditioned by the effort and ability to satisfy some individual need'.

16. Ability is the capacity to do physical and intellectual tasks. Aptitude is the capacity to learn the ability.

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1.9 SUMMARY

- Organizational behaviour has been defined as the knowledge of people's behaviour at work. It is a meaningful solution to complex human problems.
- Human behaviour is developed not in a vacuum but is shaped every time by the behaviour of others and environmental factors.
- Organizational theory is the study of structure, the system, sequences and the process of organization. Organization behaviour, while studying all these subjects, delves into the behaviour of individuals and groups.
- Organizational behaviour has four important approaches—the human resources approach, the contingency approach, the system approach and the productivity approach.
- Although the United States was the dominant economic power in the world throughout the twentieth century, very few American business houses tried to expand beyond American shores. It was really during the last quarter of the century that businesses began to focus globally.
- The history of world events over the past 30 years emphasizes the wild swings of instability that herald an era of global business, both competition and cooperation. A global view becomes critical to managing in the twenty-first century.
- Diversity can be defined as a mixture of people who vary by age, gender, race, religion, and/ or lifestyle. One management challenge is to help people understand diversity so that they can establish productive relationships with people at work.
- Effectively managing a diverse workforce means adopting practices that recognize all aspects of diversity.
- Human behaviour, a complex phenomenon as it is, is most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli.
- It has been established that certain characteristics of behaviour are genetic in nature, and a human being inherits a certain degree of similarity to other individuals, as well as uniqueness in the form of genes and chromosomes.
- The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited.

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- There are two categories in which the causes of human behaviour can be classified. These are: (1) inherited characteristics and (2) learned characteristics.
- Attitude may be defined as the organization of a perception within a frame of reference. It can also be described as the manner in which an individual behaves, reacts, thinks or perceives a particular object in a given situation.
- The concept of personality is often discussed in our daily routine and while coming across different people, one may associate different individuals with different personalities.
- There are two broad categories of factors that influence the formation and development of personality. These are heredity factors and environmental factors.
- Personality is a set of relatively stable characteristics or dimensions of people that account for consistency in their behaviour in various situations.
- Since personality variables reflect consistent and enduring patterns of behaviour, these patterns can be classified into certain categories, so that the behaviour can be predictable once we identify the pattern of behaviour as belonging to a given category.
- In the field of organizational psychology, a person's attachment to their organization is referred to as organizational commitment. It was studied in order to encourage loyalty in employees towards their organization.
- Through organization commitment, one can measure crucial aspects such as organizational behaviour, turnover, and job performance.
- Attitudes have four basic characteristics—direction, intensity, salience and differentiation. The direction of an attitude is favourable, unfavourable or neutral. We may like, dislike or be neutral in our views about a person, a job or a situation.
- It is assumed that the relationship between the attitude of a person and his behaviour is causal in nature, meaning that the attitudes that people hold determine their behaviour and what they do. Logic also suggests such a relationship.
- Perception may be defined as 'a cognitive process by which people attend to incoming stimuli, organize and interpret such stimuli into behaviour'.
- The factors influencing perceptions are the perceiver's characteristics, object and situations. However, they can be analysed under specific heads such as the perceiver's characteristics, personal factors, internal factors, organisational structures and social conditions.

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- The perceptual process is influenced by the organisational structure and process. The perceptual structure, perceptual grouping, constancy, context, defence, workplace and process have been recognised as important factors influencing the perceptual process.
- Learning has been defined by several authors in different ways. All of them have accepted that learning shapes human behaviour.
- The learning process is totally associated with the mental process, inspiration and action.
- Motivation is exercised to achieve goals of employees and the organisation. Employees are interested in satisfaction and the organisation aims at achievement of the organisational goals.
- Motivation is based on need which is a feeling of lacking something. A feeling of need or unsatisfied need creates tension that stimulates drives within individuals. These drives generate search behaviour to find ways of satisfying the needs. It will try to achieve the goals. Satisfied needs reduce the tension and provide contentment.
- Many motivation drives and motives are unknown to the individual, although they exist in them and motivate them indirectly. Since these drives and motives are physically attached to people, they are known as primary motivations. They are biological, and the word primary does not mean that these motives take precedence over other motives.
- Secondary motives are learned and realised as a result of development. As human beings develop and learn many new ways of satisfaction and comfort, secondary motives crop up, which prevail in a cultured and educated society.
- A good person–job fit requires a consensus between the abilities and aptitudes of employees. Ability is the capacity to do physical and intellectual tasks. Aptitude is the capacity to learn the ability. People differ in their abilities and aptitudes.

1.10 KEY WORDS

- **Human Behaviour:** It refers to the full range of physical and emotional behaviours that humans engage in; biologically, socially, intellectually, etc. and are influenced by culture, attitudes, emotions, values, ethics, authority, rapport, persuasion, coercion and/or genetics.
- **Chromosomes:** It is a threadlike structure of nucleic acids and protein found in the nucleus of most living cells, carrying genetic information in the form of genes.

- **Dogmatism:** It refers to the expression of rigidity in one's beliefs.
- **Stimuli:** It is a thing or event that evokes a specific functional reaction in an organ or tissue.
- **Stereotyping:** It is a set of ideas that people have about what someone or something is like, especially an idea that is wrong.

1.11 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What role does behaviour play in organizational behaviour?
2. What is perception?
3. What are the determinants of personality?
4. What is the difference between introvert personality and extrovert personality?
5. How is attitude measured?
6. What is stereotyping effect?
7. What are the different components of perception?
8. How are ability and aptitude interrelated?

Long-Answer Questions

1. Explain the different approaches to organizational behaviour.
2. Discuss the challenges that organizations face with a diverse workforce.
3. Examine the inherited and learned characteristics of human behaviour.
4. Describe the three components of organizational commitment.
5. Explain the formation of attitude.
6. Describe the learning process in detail.
7. Discuss the types of motivation in detail.
8. Explain the role of heredity and learning, when it comes to ability.

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UNIT 2 GROUP BEHAVIOUR

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Structure

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2.0 INTRODUCTION

In general, a number of people together at a given place and given time can be considered a group. People in a bus or the same compartment of a train or students in a class are all known as groups. However, from an organizational point of view, a group has a different meaning and definition. According to Marvin Shaw, 'A group is two or more persons who are interacting with one another in such a manner that each person influences and is influenced by each other person.' There are two key elements in this definition that are essential. First is the 'interaction' among group members. For example, co-workers may work side by side on related tasks, but if they do not interact with each other, they are not a group in the organizational sense. The second element is the influence of one group member on every other group member. This means that the group members are mutually dependent with respect to the attainment of one or more common goals. In this unit, we will discuss group behaviour in detail.

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2.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the theories of group formation
- Explain the interaction between formal and informal groups
- Discuss the formation of teams and group dynamics

2.2 THEORIES OF GROUP FORMATION

A group has a certain syntality which is developed further in an organization to achieve group synergy. The origin of groups has an interesting history. A group is defined as 'two or more interacting and interdependent individuals who have come together to achieve particular objectives'. An individual will be unable to perform all the required activities, and group formation is inevitable to achieve organizational objectives. Groups may therefore be formed and accepted by an organization. Group formation may also be informal, that is, not recognised but functioning in the organization. Sometimes, informal groups are more effective in an organization. Group dynamics is essentially used to increase the productivity and profitability of an organization and group behaviour is different from individual behaviour. Group behaviour helps achieve higher productivity than the sum of individual performances because of group personality which is known as syntality. Groups have a separate identity. They are given more importance in organisational behaviour because group personality or syntality has synergy, i.e. higher output than that of the sum of individual output. A group thinks, decides, sets goals and tries to act upon these to achieve the group goals. Group behaviour has three dimensional studies, viz. the basis of the foundation of the group, intra-group behaviour and inter-group behaviour.

Group Formation

Group formation has certain objectives. The purpose behind group formation may be task achievement, problem-solving, proximity or other socio-psychological requirements. Group formation is based on activities, interactions and sentiments.

- **Task Accomplishment:** The basic purpose of group formation is the achievement of certain objectives through task performance. Individuals come closer in order to understand the tasks and decide on the procedures of performance. In any organisation, task accomplishment is the reason for which different groups such as an engineering group, marketing group, foreman's group and personnel group are formed for achievement of the organisations' goals. When an organisation faces some procedural difficulties, concerned groups discuss them and evolve new techniques of production, marketing and other functions.

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- **Problem-Solving:** When people foresee or face certain problems, they unite to solve the problems. Unity has strength. A group provides strength to members who are willing to challenge any problem. Group behaviour gives more strength to come down heavily on problems.
- **Proximity:** People form groups because of proximity and attraction towards each other. The group formation theory is based on propinquity, which means that individuals affiliate because of spatial or geographical proximity. They interact frequently with each other on many topics, because this interactive communication is rewarding.
- **Socio-psychological Factors:** Sentiments and action-uniformities bring people closer. They also form groups for safety, security and social achievements. People cooperate with members of the group on social as well as economic grounds to reach satisfactory levels.

People form groups basically for activities, interaction and due to sentiments. People living in proximity frequently discuss their problems. They try to reduce their tensions and achieve satisfaction. Individuals interest each other only when they have common attitudes and sentiments. People with diverse attitudes form groups under certain compulsions to meet unexpected problems. Employees form unions to ensure the safety and security of jobs. Outside the factory, they form groups for religious, social, cultural and political activities.

2.2.1 Reasons for Formation of Groups

There are two theories of group formation that is, functionalist theory and interpersonal attraction theory. The first focuses on the functionality of the group aimed at achieving collective goals and the second emphasizing on the human need for social interaction.

Sigmund Freud believed that groups form and continue because of the need for affiliation and power. Lewin held that group was a function of inter-related factors of the individual and the group. Interaction theory views the group as a system of interacting individuals that produce three elements; activity-interaction-sentiment. This holds that you look at each to understand group behaviour. The systems theory adopts a position similar to interaction but adding the elements of positions and roles along with inputs and out puts. Socio-metric orientation emphasizes interpersonal choices among group members and the focus is on morale and performance and their dependence on the group

Psychoanalytic orientation focuses on the drives of the individual and is concerned about the motivational and defensive processes of the individual as related to the group. General Psychology orientation attempts to extend the theoretical analyses of individual behaviour to group behaviour. Empirical-statistical orientation holds the basic concepts of group theory can be discovered through the application of statistical analysis of data about individuals.

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Formal and informal groups are formed in organizations for different reasons. Formal groups are sometimes called official or assigned groups and informal groups may be known as unofficial or emergent groups. Organizations routinely form groups. If we assume that management decisions are rational, groups must benefit organizations in some way. Presumably, the use of groups can contribute to achieving and maintaining a sustainable competitive advantage. Groups can do this if they enable an organization to fully tap the abilities and energy of its human resources. Furthermore, with regard to informal groups, people form groups to meet their individual needs.

- **Performance:** Group effort can be more efficient and effective than individual efforts, because it enables the employees to specialize in and contribute to a variety of strengths. Organizations structure employees into functional and task groups so that they can develop and apply expertise in particular functions, products, problems or customers. The other factor contributing to performance is motivation, and groups can enhance this as well. When employees work in groups, the group is an important force for creating and enforcing standards for behaviour.
- **Cooperation:** Carrying out an organization's mission is something no person can do alone. However, for several people to accomplish a mutual goal, they must cooperate. Group dynamics and characteristics can enhance cooperation among employees, especially when members identify themselves as a group and are rewarded for group success.
- **Satisfaction:** If satisfaction improves motivation (and therefore performance), organizations as well as individual employees can benefit from employees' satisfaction derived from group membership. A major source of this satisfaction is that people have a need of being with others and being liked by them. The way people satisfy this category of needs is by participating in groups focusing on social activity. Group membership may also be a means of satisfying their need for security, power, and esteem.

2.2.2 Stages of Group Formation

Group development has been studied to find out the purposes behind development. Different groups require different lengths of time for development. The development structure is heavily influenced by the nature of groups. The various stages of group development are forming, storming, norming, performing and adjourning. All the groups may not accept the same order of group development.

The first stage is forming, wherein the group decides its own purpose, structure and leadership. Members decide what types of behaviour are acceptable. The membership is increased till the group is finally established. Individuals are brought together for the first time and a communication pattern is developed. The interdependence of members is decided as per the structure and goals of the

group. They decide on plans of future action involving discussions on formulation of group goals and evaluating the resources for achieving the goals.

Thesecond stage of group development is storming, wherein members storm their views. They put forth their views forcibly with strength, and this evidences interpersonal conflicts. Many problems are brought to the group for discussion and solution. Many conflicting views may be expressed. Authorities and supervisors are frequently criticised for various reasons. However in an educated group, people consider the views of others with patience. They arrive at unanimous decisions with constructive attitudes. A group develops syntality and gets synergy if the storming stage is actively smoothened. On the contrary, the group will not advance if the members continue storming and conflicting with each other.

The third stage of group development is norming, wherein members develop a close relationship and demonstrate cohesiveness. Members enjoy belonging to the group and develop synergy. A strong sense of group identity and a camaraderie is developed. The group structure is solidified and interpersonal relationships are developed with increased cohesiveness and sharing of ideas. It increases the positive behaviour and strong feeling of development among members.

The fourth stage is the performing stage. The group performs its functions to achieve the desired objectives. It is fully functional and operational. This stage is directed towards the accomplishment of group goals. It explores the action to be taken and decides on innovations. Satisfactory performances and achievement of group goals are observed under this stage.

The fifth stage is the adjourningstage of development when the group is dissolved. The adjournment stage is generally undertaken after completing the task, although the group may be adjourned even before completing the task, due to misunderstanding and storming. Mutual friendship is lost, depression is observed and the group is wrapped up with activities. Such adjournment is undesirable for both individuals and the organisation. The group objectives should be fulfilled before adjournment. Leaders play a great role in the continuation and adjournment of the group. Dynamic leaders always try to review and strengthen the group activities for the development of their people.

2.3 FORMAL ORGANIZATION AND INFORMAL GROUPS AND THEIR INTERACTION

Groups can be either formal or informal. Let us discuss both types of groups.

Formal groups

A formal group is set up by the organization to carry out work in support of the organization’s goals. In formal groups, the behaviour that one should engage in are stipulated by and directed towards organizational goals. Examples include a

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bookkeeping department, an executive committee and a product development team. The formal group may be a command group or a task group.

- **Command group:** A command group comprises a manager and the employees who report to him or her. Thus, it is defined in terms of the organization's hierarchy. Membership in the group arises from each employee's position in the organizational chart.
- **Task group:** A task group comprises employees who work together to complete a particular task or project. A task group's boundary is not limited to its immediate hierarchical superior. It can cross-command relationships. An employee's membership in the group arises from the responsibilities delegated to the employee—that is, the employee's responsibility to carry out particular activities. The task group may be temporary with an established life span, or it may be open ended.

Informal groups

An organization's informal groups are groups that evolve to meet social or affiliation needs by bringing people together based on shared interests or friendship. Thus, informal groups are alliances that are neither formally structured nor organizationally determined. These groups are natural formations in the work environment that appear in response to the need for social contact. Many factors explain why people are attracted to one another. One simple explanation is proximity; when people work near one another every day, they are likely to become friends. That likelihood is even greater when people share similar attitudes, personalities or economic status.

- **Friendship groups:** Groups often develop because the individual members have one or more common characteristics. These formations are known as friendship groups. Social alliances, which frequently extend outside the work situation, can be based on similarities age, political view, education, etc.
- **Interest groups:** People who may or may not be aligned to common command or task groups may affiliate to attain a specific objective with which each is concerned. This is an interest group.
- **Reference groups:** Sometimes, people use a group as a basis for comparison in making decisions or forming opinions. When a group is used in this way, it is called a reference group. Employees have reference groups inside or outside the organization where they work. For most people, the family is the most important reference group. Other important reference groups typically include co-workers, friends and members of the person's religious organization. The employee need not admire a group for it to serve as a reference group. Some reference groups serve as a negative reference; the employee tries to be unlike the members of these groups.
- **Membership groups:** When a person belongs to a group (formal and informal groups to which employees actually belong) the group is called a

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membership group (or affiliation group) for that person. Members of a group have some collective benefits and responsibilities that go beyond the group serving as a reference point. In a membership group, each member would be expected to contribute to the group's well-being and would enjoy the benefit arising from the group member's friendship.

Check Your Progress

1. How is group behaviour a three dimensional study?
2. List the various stages of group development.
3. What are the two types of formal group?

2.4 IMPORTANCE AND FORMATION OF TEAM AND TEAMWORK

Team spirit allows the company to produce better products at lower costs. It helps individual employees to develop skills and experience. Many organisations have developed useful teams for effective and efficient performances. Teams become more flexible and responsive under changing situations. They are developed, deployed and disbanded as per the needs of the organisation. Employee-members of the team develop a positive attitude and involvement. Employee's morale and spirits are increased and maintained under team performance.

A team is different from a group. A group includes two or more individuals, who are interacting and interdependent, to achieve group objectives. A work group primarily shares information and decisions. They do not get synergy because they do not engage themselves in collective work, whereas a work team generates positive synergy as they perform the job collectively. They coordinate their efforts. A work team has collective performance, positive attitudes, individual and mutual understanding and complementary skills. Work groups only share information, as individuals are neutral. The team is more concrete than the work group. A team aims to increase performance and potential for the organisation. Teams ensure organisational performance.

2.4.1 Types of Teams

Teams are developed to achieve certain objectives. Therefore, they are classified into problem-solving teams, self-managed work teams and cross-functional teams.

- **Problem-solving teams:** Problem-solving teams join together for solving a problem. These teams discuss the problem and find solutions. They improve their work quality and work environment. They share ideas or offer suggestions on how to improve the work standard and solve the problem. Since they have jointly suggested some measures, they willingly

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implement those suggestions. They also share responsibilities as they implement the corrective actions.

- **Self-managed teams:** Self-managed teams collectively control their work, assignments, choice of procedures and so on. Such teams select their own members who evaluate the performance of each member. Supervisory staff is redundant under such an arrangement. In big business houses in India, teams sit together and take important decisions which are immediately implemented by them. They schedule the work, authorise the people and perform the job. They establish production targets, set pay scales and decide on training programmes. Self-managed teams have successfully demonstrated their capacities. They have achieved self-satisfaction. Quality employees remain with the organisation and less qualified people have to leave their jobs, as they are not able to cope with the spirit of self-managed teams.
- **Cross-functional teams:**Members of cross-functional teams come from the same hierarchical level, but from different functional areas. A task force is one example of a cross-functional team. People from diverse areas who are of the same cadre join together to find out operational solutions. They develop new ideas and solve the problems. Members learn to work with diversity and complexity. They build trust and confidence.

2.5 GROUP NORMS

Norms are shared ways of looking at the world. Groups control members through the use of norms. A norm is a rule of conduct that has been established by group members to maintain consistency in behaviour. Norms tell members what they should and should not do under certain circumstances. From an individual's standpoint they tell what is expected of you in certain situations. Norms differ among groups, communities, and societies, but they all have norms.

According to Hackman, norms have the following characteristics:

- Norms summarize and simplify group influence processes. They resolve impersonal differences in a group and ensure uniformity of action.
- Norms apply only to behaviour, not to private thoughts and feelings.
- Norms are usually developed gradually, but the process can be shortened if members so desire.
- Not all norms apply to everyone. High-status members often enjoy more freedom to deviate from the 'letter of the law' than do other members.

2.5.1 Types of Norms

Norms are unique to each work group. Yet, there are some common classes of norms that appear in most work groups.

- **Performance-related processes:** Work groups typically provide their members with explicit cues on how hard they should work, how to get the job done, their level of output, etc. These norms deal with performance-related processes and are extremely powerful in affecting an individual employee's performance.
- **Appearance factors:** Some organizations have formal dress codes. However, even in their absence, norms frequently develop to dictate the kind of clothes that should be worn to work.
- **Allocation of resources:**These norms cover pay, assignment of difficult jobs, and allocation of new tools and equipment.
- **Informal social arrangement:** These norms can originate in the group or the organization and cover pay assignment of difficult jobs, and allocation of new tools and equipment.

2.5.2 Factors Influencing Conformance to Norms

As a member of a group, you desire acceptance from the group. Due to your desire for acceptance, you are susceptible to conforming to the group's norms. Considerable evidence shows that groups can place strong pressures on individual members to change their attitudes and behaviours to conform to the group's standard. However, conformity to norms is not automatic. It depends on the following factors:

- **Personality factors:**Research on personality factors suggests that the more intelligent are less likely to conform than the less intelligent. Again, in unusual situations where decisions must be taken on unclear items, there is a greater tendency to conform to the group's norms. Under conditions of crisis, conformity to group norms is highly probable.
- **Situational factors:** Group size, communication patterns, degree of group unanimity, etc., are the situational factors influencing conformity to norms.
- **Intragroup relationships:** A group that is seen as being creditable will evoke more compliance than a group that is not.
- **Compatible goals:** When individual goals coincide with group goals, people are more willing to adhere to group norms.

2.6 GROUP COHESIVENESS

Groups are a pervasive part of modern life. We are members of many different groups. Although every group is different, possessing its own unique attributes and dynamics, it is also true that in many important ways groups tend to display similar

patterns of evolution. Formal and informal groups are formed for various reasons. Some of the reasons involve the need for satisfaction, proximity, attraction, goals and economics. The closeness or commonness of attitude, behaviour and performance makes groups cohesive.

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Formal and informal groups seem to possess a closeness or commonness of attitude, behaviour and performance. This 'closeness' or 'commonness' is called 'cohesiveness'. Cohesiveness is a force that acts on the members to remain in a group and is greater than the forces that work on members to pull them away from the group. Highly cohesive groups comprise individuals who are motivated to be together. Group cohesiveness is the extent to which a group is committed to remaining together; it results from 'all forces acting on the members to remain in the group.' The forces that create cohesiveness are attraction to the group, resistance to leaving the group and motivation to remain a member of the group. There are a number of reasons for groups to be cohesive. Some of them are given below:

- The goals of the group and the members are compatible and therefore individuals are attracted towards groups.
- The group has a charismatic leader who is well respected and admired by his followers.
- Members get support from other group members and are helped by other members to overcome obstacles and barriers.
- The group is small enough to enable members have their opinions heard and are evaluated by others.

The concept of group cohesiveness is important for understanding groups in organizations. From the organization's point of view, the degree of cohesiveness in a group can have either positive or negative effects depending on how group goals match up with those of the organization. If the group is highly cohesive but its goals are not compatible with the organization then group behaviour will be negative. Therefore, from the point of the organization, it may sometimes be desirable to alter the cohesion of a work group; for example, if the group goals are compatible with organizational goals then the managers must increase cohesiveness as higher the group cohesiveness, the more beneficial is its effect on the organization. However, when group goals counter those of the organization, managers must take steps to decrease group cohesiveness. Here, it should be noted that attempts to alter the cohesiveness of any group may not work and may even backfire on the organization. Therefore, managers should exercise great care in making decisions about attempting to influence the cohesion of work groups.

Successful groups reach their goals more often and this increases group cohesiveness. It should also be noted that a successful group becomes more cohesive and this increases the possibility of success.

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2.7 GROUP DYNAMICS

Group dynamics was invented at the early stages of civilisation. When individual members were unable to meet their economic and social requirements, they united together. Some members sat together and pondered over the problem to get an effective solution. This was the beginning of the formation of a group, because a group can perform some things which individuals cannot. The group has a tremendous force of strength. The more effective the formulation and proper utilisation of group thinking are in the organisation, the more strength the group will possess.

Group dynamics has become an important subject of management, because it provides useful information on dynamics of behaviour. The social process by which people interact face to face is called group dynamics. The study of group dynamics has been done under meaning and design, type of group, physical environment, personal environment, social environment, task environment, group decisions, strength and weakness and team work.

Meaning and origin of group dynamics

Dynamics means force. It infers that group dynamics is group force and strength. It is a force operating within the group. The kind of force operating within the group depends upon the kind of leadership style. Group dynamics has synergy whereby two plus two is equal to five. A group is the composition of two or more persons formed for achieving the group goals through personal interaction and relationship. The group members are interdependent. A group, once formed, motivates people to join it for personal and organisational interests. Members perceive that the group exists and they are members of the group.

2.7.1 Features of Group Dynamics

The important features of group dynamics are perception, motivation, group goals, group organisation, interdependency, interaction and entitativity.

- **Perception:** Group dynamics as defined by perception implies that every member of the group is aware of his respective relationship with others. The group consists of organisms or agents. The members or agents are engaged in interaction with one another. They have face to face meetings. They develop some impression or perception about each other and give their reactions to each other. Each member perceives the group differently, which he reveals at some situations. The members perceive the role of the group based on their learning and background. Group strength is developed if its members are properly trained and motivated. Group members form a group against the forces which threaten their individual freedom. Members perceive the group as problem-solving or as developmental depending upon the situation on which groups are formed by the members.

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- **Motivation:** Members join groups because they expect that the group will solve their problems. They want progress and promotion which are achieved through group performance. The pressures and problems are jointly met by them. Group norms emerge to guide individual behaviour. Cooperative feelings are increased for helping each other. The group is developed taking into consideration individual interests. Employees join groups to get their pay and working problems redressed. In a social system, businessmen join a club or association to improve their business opportunities and solve the problems posed by the administration and people. Social groups are formed for solving individual problems. A group is a collection of organisms in which the existence of a member is assured by them. The perception of unity and interactive force is present in a group, which motivates the employees for better performance. The different needs of society are met by forming different groups. The group leader has to play his role of providing a proactive influence and receiving the feedback from the group members.
- **Group goals:** Group goals are targets towards which input, process and output are directed. Group goal is the essential component of group formation, although it is not the only condition for forming a group. A goal is used for motivating the employees. The path goal relationship produces a higher responsibility for attaining the goals. If people of a group accept responsibility, group activities are evolved and workers perform successfully. When employees see the manager as supportive, they try to achieve the group goals. The responsibility consciousness makes the group members realise their duties. They put group goals above their individual goals. Members become an inevitable part of the group if they start realising the group goals as superior to the individual goals.
- **Group organisation:** Group is an organisation which is composed of different organs to attain certain objectives. A group has the structural elements of an effective organisation. A socio-psychological group is evolved wherein two or more individuals are interrelated. It has a set standard of relationship among its members. Similarly, it has a set of norms that regulate the functions of the group. A number of individuals in the group have definite status, role relationship, set of values and own regulating behaviour. The group structure has power relations, effective relations and well-defined jobs. It has diagnosing, adapting and communicating processes. Individual group members differ from each other. A group is used for developing knowledge and skills. All the group members are not equally powerful. Some of them have more power and a higher position than others. A hierarchical structure is visible in the group. It has group force for the development of the whole organisation.
- **Interdependency:**The main feature of a group is the members' interdependence. The members of a group may have a common goal but

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they may not be a part of the group because they are not interdependent. Individuals waiting for their turn at a bus stop have the common goal of travel but they do not constitute a group because the individuals are not interdependent. If the individuals start supporting each other and interact with each other, they form a group. If they develop it as a permanent system, it becomes an organisation. Interdependence must be dynamic. The group members have equity of goals and similarity of performance. Dynamism is experienced if interdependence is committed into group strength. A group is a social entity which has social strength. It is derived from the constituent members who are interdependent.

- **Interaction:** Members of a group must interact with each other. If they are interdependent but do not interact, the group's goals are not achieved. Members have an interpersonal problem-solving mode. If any problem arises, the interaction of all the members is needed to solve the problem. Each person must communicate with others when the need arises. Interaction differentiates the group from a mere collection of people. Interaction between the members of a group may take different forms, e.g. verbal interaction, physical interaction, emotional interaction and so on. The group is defined on the basis of interaction, wherein two or more persons interact with one another in such a manner that each person influences and is influenced by each other. It is a two-way communication which requires mutual influence. A group is an entity in which communication is essential as in any other organisation.
- **Entitativity:** A group has its own identity. It has similarity and proximity. It is felt and realised but cannot be seen. The collection of individual experiences become the guidelines for the members. The uniform, office and people become the symbol of a group. The vicinity and proximity have given birth to the group.

2.7.2 Group Dynamics Perceived

Group dynamics have been perceived by different authors differently, giving several theories such as the field theory, interaction theory, systems theory, socio-metric orientation, psycho-orientation, model orientation, reinforcement theory, group syntality, exchange theory and theory of group productivity.

- **Field theory:** Group dynamics is perceived in the behaviour of members. Kurt Lewin has given group behaviour as a part of dynamics. The properties of group behaviour are determinants of group dynamics. The behaviour in the field is practically observed. The natural behaviour of employees are taken into consideration for developing them as a force.
- **Interaction theory:** Group dynamics or force is based on interaction. This theory assumes that activity, interaction and sentiment are used to motivate the employees for developing group strength.

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- **System theory:** Group dynamics is a complicated process. It analyses the basic elements of group force. The components are used for identifying and motivating people. This theory describes the system as the interlocking of positions–roles and inputs–outputs.
- **Socio-metric orientation theory:** Group dynamics as perceived by this theory describes the interpersonal choice among the group members. The morale and performance of the group depends upon the interpersonal relations among the group members. It is reflected by socio metric choices. This theory has given several important results in group dynamics.
- **Psycho-orientation theory:** This theory refers to the motivational and defensive process of individuals. It has given the process of a group and has stimulated people for a better performance of the group. The psychological theories are used to mobilise group behaviour. Learning, perception, personality development and motivation are used for the purpose.
- **Model orientation:** Group dynamics has been developed by several models. Models and natural relations are established to define group dynamics. Model-builders have discussed the hypotheses with the help of the system theory, psychoanalytical orientation and empirical statistical orientation.
- **Reinforcement theory:** Reinforcement theory is the motivator of group dynamics. Descriptive-exploratory studies, simulation studies and other real-life stories have been used for reinforcing the employees to have model group dynamics.
- **Group syntality:** Group dynamics is based on group personality, i.e. group syntality. It makes the group a unique entity, whereby two and two makes five. It means that more productivity is observed in group dynamics because of group syntality. It has been observed that syntality has certain unique traits because of behaviour, aggressive acts and decision promptness. Internal and external structures contribute to the syntality. Population traits, structural traits and cultural traits develop and design the group syntality. Cattel has given the name group synergy to group syntality.

  In a group, people satisfy their psychological needs and work better than what they can do individually. It brings an additional energy which is known as synergy. It is the total of individual and group energy. The synergy is divided into two parts, viz. maintenance synergy and effective synergy. The maintenance synergy is used to maintain interpersonal relationships between the group members and effective synergy is used for achieving the group goals. The law of effect is observed by subsidisation and sub ordination. Subsidization refers to the formation or partial support of other groups. Individuals draw energy from the group, restore and reproduce it in additional forms.

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- **Exchange theory:** Group dynamics is based on the exchange theory, i.e. interpersonal behaviour. The existence of the group solely depends upon the participation and satisfaction of individuals in the group. It is an exchange of satisfaction by the members for the group's existence. The exchange theory involves the group force, consistence of interaction, evaluation of interpersonal relationships, behaviour sequence and behaviour repertoire. Interaction implies that the action of each person affects others. Interaction is not the only component of group dynamics. If two people interact, this will not be a group because they are not interdependent and working for the group goals. A behaviour sequence is directed towards goals. Rewards and costs are attached with them. Rewards means that individuals find it pleasurable, gratifying and satisfying. Costs refer to anything that inhibit the performance of a behaviour sequence. Exogenous and endogenous factors influence interpersonal relationships which have rewards and costs. Exogenous factors are external to a relationship, and endogenous factors are inherent in the relationship itself. The psychoanalytic orientation, i.e. inclusion, control and affection, are exchanges for which people like to be attached with a group. The interaction patterns of two or more individuals may be either compatible or incompatible. The compatibility will be interchange, originator and reciprocal.
- **Theory of group productivity:** Group dynamics is based on the group productivity and vice versa. The group productivity depends on task demands, resources and process. Task demand is the requirements imposed on the group by the task itself. Task resources include all the task-related abilities, knowledge, skills and tools possessed by the members of the group. The task demand requires a particular amount of resources and task resources refer to the availability of the resources. So, these two factors determine the maximum level of productivity. The potential productivity depends on the availability of resources. Process variables decide the group productivity. Interpersonal and intra personal behaviour determine the group potential. The degree to which actual productivity approaches potential productivity is a function of appropriateness of the group process. The potential productivity of the group is determined by the most competent group member.

  The conjunctive task is also taken into account while determining the group productivity. It is related to how each member of the group performs essentially the same function as the success of group is determined by the effectiveness of the least proficient member. There may be a faulty group process. Since the productivity of each member is not the same, the group productivity will vary. Individual and group behaviour differ because of their relative productive potential. The group potential exceeds the sum of individual potential because of the gain of the group process, wherein individuals enjoy the group process. But, the gain may be very small because of losses due to a faulty group process.

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Check Your Progress

4. Why is it necessary to maintain team spirit in a company?
5. What makes groups cohesive?
6. What is interaction theory of group dynamics?

2.8 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Group behaviour has three dimensional studies, namely, the basis of the foundation of the group, intra-group behaviour and inter-group behaviour.
2. The various stages of group development are forming, storming, norming, performing and adjourning.
3. The formal group may be a command group or a task group.
4. It is necessary to maintain team spirit in a company as it allows a company to produce better products at lower costs. It helps individual employees to develop skills and experience. Teams become more flexible and responsive under changing situations. They are developed, deployed and disbanded as per the needs of the organisation. Employee-members of the team develop a positive attitude and involvement. Employee's morale and spirits are increased and maintained under team performance.
5. The closeness or commonness of attitude, behaviour and performance makes groups cohesive.
6. Group dynamics or force is based on interaction. The interaction theory of group dynamics assumes that activity, interaction and sentiment are used to motivate the employees for developing group strength.

2.9 SUMMARY

- A group is defined as 'two or more interacting and interdependent individuals who have come together to achieve particular objectives.
- The purpose behind group formation may be task achievement, problem-solving, proximity or other socio-psychological requirements. Group formation is based on activities, interactions and sentiments.
- There are two theories of group formation that is, functionalist theory and interpersonal attraction theory. The first focuses on the functionality of the group aimed at achieving collective goals and the second emphasizing on the human need for social interaction.

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- The various stages of group development are forming, storming, norming, performing and adjourning. All the groups may not accept the same order of group development.
- Groups can be either formal or informal. A formal group is set up by the organization to carry out work in support of the organization's goals.
- An organization's informal groups are groups that evolve to meet social or affiliation needs by bringing people together based on shared interests or friendship. Thus, informal groups are alliances that are neither formally structured nor organizationally determined.
- A norm is a rule of conduct that has been established by group members to maintain consistency in behaviour.
- Formal and informal groups seem to possess a closeness or commonness of attitude, behaviour and performance. This 'closeness' or 'commonness' is called 'cohesiveness'.
- Teams are developed to achieve certain objectives. Therefore, they are classified into problem-solving teams, self-managed work teams and cross-functional teams.
- Norms are shared ways of looking at the world. Groups control members through the use of norms. A norm is a rule of conduct that has been established by group members to maintain consistency in behaviour. Norms tell members what they should and should not do under certain circumstances.
- Group cohesiveness is the extent to which a group is committed to remaining together; it results from 'all forces acting on the members to remain in the group.' The forces that create cohesiveness are attraction to the group, resistance to leaving the group and motivation to remain a member of the group.
- Group dynamics was invented at the early stages of civilisation. When individual members were unable to meet their economic and social requirements, they united together. Some members sat together and pondered over the problem to get an effective solution.
- Group dynamics has become an important subject of management, because it provides useful information on dynamics of behaviour. The social process by which people interact face to face is called group dynamics.

2.10 KEY WORDS

- **Syntality:** It is defined as the personality traits of a group. An example of the syntality of a group can be that the group is assertive, satisfied with current situations and has a high level of self-esteem.
- **Cohesion:** It is the action or fact of forming a united whole.

2.11 SELF ASSESSMENT QUESTIONS AND EXERCISES

NOTES

Short-Answer Questions

1. What do you understand by group formation?
2. Differentiate between formal and informal groups.
3. List the different characteristics of norms.
4. How is a team different from a group?

Long-Answer Questions

1. Discuss the different stages of group formation.
2. Explain the different categories of teams.
3. 'Groups control members through the use of norms'. Elaborate.
4. Describe the functions of group dynamics.

2.12 FURTHER READINGS

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UNIT 3 ORGANIZATIONAL POWER AND POLITICS

NOTES

Structure

3.0 Introduction
3.1 Objectives
3.2 Definition, Types, Sources and Characteristics of Organizational Power
 3.2.1 Sources and Characteristics of Power
 3.2.2 Types of Power
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3.5 Answers to Check Your Progress Questions
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3.0 INTRODUCTION

Power differs from authority, in that authority is the right of decision and command and it is legitimate, approved by the organizational structure and is freely accepted by all. The legitimate use of authority and acceptance of it is designated as 'psychological contract':

> The psychological contract is the mutual set of expectations which exist between an organization and an individual. These expectations cover what pay the individual will receive as well as the whole pattern of rights and privileges of the person. In return, the individual is expected to contribute both work and some commitment.

Legitimate authority gives the person legitimate power and as long as the commands issued fall within the boundaries of psychological contract, the person will comply. These commands are not considered as use of power for two reasons. Firstly, the person who issues the command is fully authorized to do so and secondly the 'psychological contract' is based on mutual consent. It is the use of power outside the boundaries of 'psychological contract' is based on mutual consent. It is the use of power outside the boundaries of 'psychological contract', which is resented by people. It could also be called 'misuse of power'. In this unit, we will discuss power and politics in the context of an organization.

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3.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the definition, types, sources and characteristics of organizational power
- Explain the effective use of power
- Discuss the factors and impact of organizational politics

3.2 DEFINITION, TYPES, SOURCES AND CHARACTERISTICS OF ORGANIZATIONAL POWER

Power is defined as the 'possibility of imposing one's will on the behaviour of others'. The essence of power is control over the behaviour of others. Power is also a reflection of influence that one person may have over others. If you are able to convince another person to agree to your views or change his or her own opinion on a given issue, you have exercised influence over the other person and thus power has been used.

All managers have a two-dimensional power base. One is the power generated because of the position of the manager in the hierarchy of the organization and the second is the personal power. A successful manager is the one who has built up high positional as well as personal power base.

The position power can be built and enhanced by some of the factors proposed by Whetten and Cameron. These factors are:

- **Centrality:** Centrality refers to the activities that are most central to the work flow of the organization. If the information filters through the manager thus giving the manager some say in the work of many work subunits, then the manager has acquired some positional power. For example, the manager of the accounting department or finance department is central in approving expenses and making payments of all departments in the firm, giving the manager an extra power base to affect the behaviour of other departments.
- **Scarcity:** When resources are scarce but critical to organizational operations and there is a struggle for acquiring these resources, then the winner of the struggle acquires power. When unlimited resources are available in capital, space or support staff, there will hardly be any reason for spending energies in pursuit of power for such power would have no influence on the smooth functioning of the organization. It is only when cutbacks occur in these resources that the differences in power will become apparent. According to a study conducted in a large University,

Salanick and Pfeffer found that the power of academic departments was associated with their ability to obtain funds from research grants and other outside sources and this was more critical to their power than was the number of undergraduates taught by the department.

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3.2.1 Sources and Characteristics of Power

Power involves the potential to influence others. However, where does the power come from? The sources of power can be primarily categorized into two: formal position of the leader and personality characteristics of the leader.

Formal position

Generally, the power attached to a position is more potent than the person who occupies the position. For instance, the position of the president of the United States has great power, no matter who occupies it. On a different plane, the same is true for the positions of corporate presidents, police chiefs, and other government officials. The characteristics of power include factors like:

- Power may be positive or negative
- Power has no correlation with the role of individual in the organization
- Power is not consistent and may change as per the performance

Personality characteristics of the leader

Each individual, whether or not in a leadership role, possesses a certain personality power. At times, people use their personality to influence others. Leaders with a positive attitude, a pleasant voice, a decisive manner, and a strong identity, generally, have the most impact. Charisma is often associated with personality power. Webster's New World Dictionary defines charisma as "a special quality of leadership that captures the popular imagination and inspires unswerving allegiance and devotion." Charismatic people have a star quality that often makes people want to follow them.

3.2.2 Types of Power

A person in an organizational setting can have power from two sources. These are interpersonal sources and organizationally based structural sources in Figure 3.1.

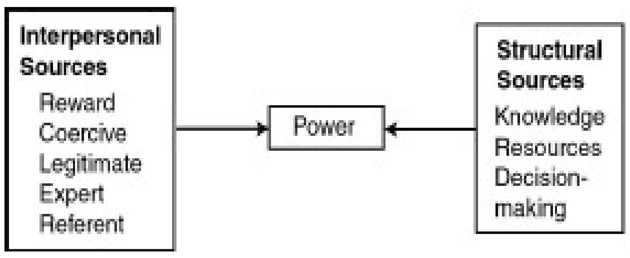


Fig. 3.1 *Sources of Power*

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These sources are explained in further details as follows:

Interpersonal sources of power

These sources of power focus on the interpersonal relationships between manager and the subordinates. French and Raven have identified five general bases of power which are based upon interpersonal relationships. These are:

- **Legitimate power:** This is the power that is vested in the leadership to take certain actions. For example, a manager's position in the organization gives him the power over his subordinates in his specific area of responsibility. The subordinates will favourably respond to a managers directives because they recognize and acknowledge the managers legitimate rights to prescribe certain behaviours expected of subordinates. Legitimate power is similar to formal authority so that it can be created, granted, changed or withdrawn by the formal organizations.

  The structure of the organization also identifies the strength of the legitimate authority by position location. Higher level positions exercises more power than lower level positions in a classical hierarchical organizational structure. For highly mechanistic organizations, the legitimate power for each position is closely specified. In more democratic type of situations the superiors and subordinates may be on equal footing.

  Similarly, to some degree, legitimate power can also be given by society to a particular leader, who has been elected by the populace. For example, the president of a country or an elected mayor of a city has certain power and authority. This power may also be culturally specified. In many cultures, children simply 'obey' their parents. In some other cultures, people of certain castes are highly respected. In the tribes of Africa and Middle East, the tribal chiefs have traditionally enjoyed the power and authority over their people. In India, old age brings with it the power to command respect.

- **Reward power:** A second base of power is the extent to which one person has control over rewards that are valued by another. The greater the perceived values of such rewards, the greater the power. These rewards can be extrinsic in nature with tangible values. For examples, if a manager has total control over the pay his subordinates get and their work assignment as well as their promotions, then the manager can be considered to have a high level of reward power. Similarly, the chairman of a division in a college or a university holds considerable power in reappointments, tenures and promotions for the faculty of his division.

  Reward power can extend beyond extrinsic rewards. It may include such subjective and intrinsic rewards as praise and recognition. If the subordinate is interested in acceptance and recognition of his contributions and the manager can provide such rewards, then this serves as an additional form of reward power.

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- **Coercive power:** On the other end of the reward power is the coercive power which is the ability to influence punishment. It reflects the extent to which a manager can deny desired rewards or administer punishment to control other people. The more sanctions a manger is able to bear upon others, the stronger is his coercive power. Some managers belittle the efforts of others in front of their peers and get away with it. To that degree, they possess the coercive power. The coercive power, which is the power to reprimand, demote or fire subordinates for unsatisfactory performance is seldom exercised because of the cost involved in the form of employee resentment and hostility.
- **Expert power:** It is more of a personal power, rather than organizational power and is the ability to control another person's behaviour through the possession of knowledge and expertise that the other person needs and does not possess himself. For example, a subordinate will obey the superior simply because the subordinates believes that he superior 'knows' what is to be done and how it is to be done. Similarly, the computer experts who are designing a computer information system for a company will dictate the design and operations of the system and their expertise power will be accepted.

  Similarly, we generally follow our doctor's or our accountants' advice and instructions because we believe in their ability and knowledge in those specified areas. Thus if the subordinates view their leaders as competent, they would follow their leaders.
- **Referent power:** It is also known as charismatic power and is based upon the attraction exerted by one individual over another. It is more of a personal nature rather than a positional nature in the sense that this power is not designated or acquired because of a position but because of a position but because of personal 'charisma' so that the 'followers' would like to associate themselves with the 'leaders'. The stronger the association, the stronger is the power. This association means that the subordinate would obey his superior because he wants to behave in the same manner as the superior and the subordinate identifies himself with the superior. This referent power also extends to film stars and celebrities whose followers and fans follow what the celebrities do.

Structural and situational bases of power

The five bases of power that we have discussed relate to interpersonal power that the managers have over their subordinates. In addition, there is another dimension of power. This dimension involves structural and situational sources within the organization and include knowledge as power, resources as power, decision making as power and link with others as power.

- **Knowledge as power:** All organization use information to operate. Thus individuals or groups who possess knowledge critical to the attainment of

organizational goals and objectives have power. The correct utilization of information is very important for effective organizational operations. Accordingly, people who are in a position to control the information itself or the flow of information about current operations or future events and plans have enormous power to influence the behaviour of others.

- **Resources as powers:** Resources are the backbone of organizations. They simply cannot survive without the adequate availability of all the necessary resources. These resources include capital, personnel, equipment, raw materials, customers and so on. Any person who can provide resources that are critical to the organization acquires such power. Thus, suppliers of monopolized scarce raw materials can dictate their own prices. The old saying that 'he who has the gold makes the rules' sums up the idea that resources are power.
- **Decision-making as power:** The authority to make decisions or the ability to influence the decision makers are both sources of power. The decision-making power does not necessarily rest with the final decision maker. Even though the decision makers acts, the real power may be with those who strongly influence the decision maker. For example, when you buy a particular car on the advice of a friend, it is the friend who held the power to buy the car, even if you acted upon it. Similarly, a task force formed to study an issue and give recommendations may not have the power to make the final decision, but the decision maker is more likely to be influenced by the task force recommendations. Thus, the task force holds the decision making power in a subtle way.

Check Your Progress

1. What are the characteristics of power?
2. Define coercive power.

3.3 EFFECTIVE USE OF POWER

Power tactics are used by individuals on their own within groups (intragroup) and between groups (intergroup) in order to influence events. Influence can be used in a positive or a negative way. When used positively, we can expect beneficial outcomes. There are different types of power tactics used in organizations. Some of these are discussed in this section:

3.3.1 Individual and Intragroup Strategies

In an empirical study of how managerial employees influence others (including superiors, subordinates, and co-workers) and the conditions under which one

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tactic is more suitable than other, Kipnis and his colleagues (1984) concluded that seven tactics could be identified.

- **Assertiveness:** This would entail setting a deadline for others to comply with a request, ordering others to do what they were asked to do, emphasizing the importance of complying with the request, and repeatedly reminding others of their obligation to perform.
- **Friendliness or ingratiation:** This is designed to make the person favourably disposed to comply with a request. It could amount to flattery by lavishing praise on the person prior to the request, exaggerating the importance of complying with the request, acting in a humble and friendly way when seeking the person's cooperation, and waiting until the person is in a receptive mood before striking.
- **Rationality:** This amounts to using facts and information in a logical way so that the request for action is seen to be detailed and well prepared. The rationale for the request is given together with a statement of what is required of the person. The originator of the request is portrayed as a competent individual.
- **Sanctions:** This amounts to the use of coercive power, whereby organizational rewards and punishments are activated—for example, a promise of an increase in salary or a promotion or a threat to give a person an unsatisfactory performance appraisal.
- **Higher authority:** This consists of efforts to secure support from people further up the organizational hierarchy and could be exemplified by securing the informal support of superiors and others in higher positions.
- **Bargaining:** This could amount to exchanging favours and benefits through a process of negotiation. Also, the person seeking the favour may remind the other person of benefits that the former has bestowed on her in the past.
- **Coalition:** This consists of getting help from others in the organization, by building up alliances with subordinates and co-workers. There is strength in numbers, which is evident when employees join trade unions. Coalitions are more likely to be formed where interdependency exists between organizational units and where broad-based support is necessary for the implementation of decisions.

Kipnis and his colleagues (1984) found that these tactics differed in importance. For example, the most popular tactic was the use of reason, irrespective of whether the influence was going up or down the hierarchy. Table 3.1 classifies different influence tactics in terms of their popularity in both the contexts, that is, when managers influence their subordinates and when managers influence their superiors.

For a collection of practical suggestions based on research into managerial influence behaviours, Keys and Case (1990) discuss the tactics most frequently

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used and those most effective in their impact on supervisors, subordinates, and peers. They outline five steps necessary to develop and maintain managerial influences:

- Develop a reputation as a knowledgeable person or as an expert.
- Balance the time spent in each critical relationship according to the work needs rather than on the basis of habit or social preference.
- Develop a network of resource persons who can be called on for assistance.
- Choose the correct combination of influence tactics for the objective to be achieved and for the target to be influenced.
- Implement influence tactics with sensitivity, flexibility, and adequate levels of communication.

Table 3.1 *Use of Power Tactics*

	When Managers Influenced Superiors	**When Managers Influenced Subordinates**
	When Managers	When Managers
Most popular	Influenced Superiors	Influenced Subordinates
	Reason	Reason
	Coalition	Assertiveness
	Friendliness	Friendliness
	Bargaining	Coalition
	Assertiveness	Bargaining
	Higher authority	Higher authority
Least popular		
		Sanctions

Situational influences

The choice of a power tactic is influenced by the following situational factors:

- **Relative power:** Managers who control valuable resources or who occupy a position of dominance use a greater variety of tactics when compared to a manager with less power. However, the former shows an inclination to use assertiveness more often than the latter. Assertiveness and directive strategies generally come into play where there is a refusal or a reluctance to comply with a request. In contrast, the manager with less power is more likely not to persevere with trying to influence others when resistance is experienced.
- **Manager's objectives:** Managers attempt to match tactics to objectives in their dealings with both superiors and subordinates. When the objectives are to derive benefits from superiors, there tends to be reliance on friendliness or ingratiation. By contrast, if the objectives are to get a superior to accept new ideas, the most likely tactic is to use reason.

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- **Manager's expectation of success:** The degree of success in influencing either superiors or subordinates in the past is a strong determinant of the tactic to be used currently. Where managers have been successful in exerting influence, they are likely to use simple requests to obtain compliance. By contrast, where the success rate is low, they are tempted to use the tactics of assertiveness and sanctions.
- **Organizational culture:** This is one of most important situational variables. For example, some cultures are supportive of a friendly approach, whereas others may favour reason. Apart from organizational culture, ethnic background may also influence the choice of a tactic (Xin and Tusi 1996).

3.3.2 Intergroup Power Tactics

Intergroup power is related to influence and dependence. When one group can exert influence over the other, the former has power over the latter. This power is determined by three factors:

- **Uncertainty absorption:** Within organizations, there are specialized groups performing a variety of functions, for example, industrial relations, pay, and bargaining. When complex issues arise, the expertise of an appropriate specialist group can be brought to resolve the problems, and in the process, these groups absorb the uncertainty normally associated with such matters. Consequently, the specialist group gains some power over the user of its services.
- **Substitutability:** In the example just given, if the user of the service can obtain a substitute provider (for example, an external consultant), then the power of the specialist can be reduced or eliminated. However, in practice, it might not be possible to substitute internal providers with external providers where an available internal facility exists.
- **Integrative importance:** When a group's services—for example, central computing services—are needed to a significant extent by other groups within the organization in order that the latter can function effectively, the provider has a lot of intergroup power. The level of power would be less if the services provided by the group are needed only to a rather limited extent.

As has been discussed earlier, individuals and groups form alliances or coalitions to acquire or enhance a power base. Thompson (1967) has identified some of the cooperative tactics used on occasion by groups in order to expand their power. These are referred to as contracting, co-opting, and coalescing:

- **Contracting**, which does not necessarily culminate in a formal legal agreement, is a tactic arrived at between two or more groups to regulate future actions. For example, a management group not wishing to maintain a confrontational stance with a trade union, which is likely to undermine its position, signs an agreement of cooperation with the union.

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- **Co-opting** is a process whereby others are admitted to the membership of a group, in order to avoid threats to the group's stability or survival.
- **Coalescing** comes about when there is a joint venture between two groups. There is strength in pooling resources for the benefit of the organization. This would be particularly beneficial when two groups combine their efforts, rather than engaging in wasteful competition.

3.3.3 Limitations of Power

The limitations of organizational power can be better understood through the concept of power corruption in an organization. Such a condition arises any time an individual or several individuals are given either high degree of power or are not accountable for their power authority or both. This can become troubling for the organizational environment. The limitations of power must be understood in a better manner because unbridled power has the following disadvantages:

- A degradation of decision making process will be witnesses in the organization
- The coercive power will get promoted as an acceptable behaviour in the professional environment
- The general work environment will become negative inviting poor perception of the employees
- The relationship between the management and employees will become strained and distance and not conducive to a healthy work dynamics
- The managers will not be questioned or reprimanded for their unethical and illegal actions.

Check Your Progress

3. Mention the situational factors that influence the choice of a power tactic.
4. State any three limitations of power.

3.4 ORGANIZATIONAL POLITICS: FACTORS AND IMPACT

Organisational politics is different from the government-oriented politics in that it emphasises the role of a person in an organisation. Employees have a certain role to perform in every organisation. When this role is exercised to influence others, it becomes politics. In simple words, politics is the use of power to influence the decision-making process in an organisation. The political system in an organisation influences the behaviour of employees. The political system is decided based on how managers use their power in an organisation. The power using process

becomes the political system. The goal and organisational functions are also influenced by a set of political systems or process of the organisation. The disadvantages and advantages of political process are also discussed. For example, leaking out secret information is the disadvantage of the political process. There may be legitimate and illegitimate behaviour. Legitimate behaviour refers to the advantage of a political system. It may be a chain of command, forming coalitions, adherence to rules and regulations. On the contrary, illegitimate political behaviour violates the rules and regulations, e.g. damaging the property, making adverse remarks about the managers.

Definition

Politics in an organisation is a factual reality. An organisation is full of diverse values, goals and interests. There are potential conflicts in every organisation. Resource allocation creates conflicts. Interests, goals and ego conflicts are sources of politics. People try to achieve these points for self-satisfaction, which creates politicking activities. The politicking may be overt and covert. Employees influenced by outsiders' behaviour such as that of a political leader is an example of overt behaviour. The internal factors creating politicking activities are known as covert politics. Apart from the covert and overt factors creating political activities, individual and organisational factors are more important politicking.

3.4.1 Factors Creating Political Behaviour

Individual factors include high march, internal locus of control perceived job designs, expectations and self-monitoring. Personality traits, personal needs and other factors create political behaviour. Employees interested in self-monitoring and high march are engaged in political behaviour. Self-monitors are more sensitive to social cues and thus are skilled in political behaviour. They maintain alliances with powerful people, manipulate information, make a quick showing, avoid decisive engagement and take counsel with caution for power acquisition. Many employees adapt the divide and rule policy, embrace the powerful and demolish the weak and wait, see and then attack policies for acquiring power.

Employees having a higher locus of control can manipulate situations in their favour. Similarly, high Machiavellian people can control power in their favour. People interested in power use politics to gain it for self-interest. Expectations of success of any action leads to politicking activities. Persons hoping for success in an organisation resort to illegitimate means to gain power. Scarcity of skilled labour provides more political power even to the person who has scarce knowledge. Experienced and politically sound employees have more opportunities of increasing politics.

Organisational factors are more effective for creating politicking activities than individual factors because a large number of employees are taken into confidence for any activity. Organisational factors include role, situations and culture

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of an organisation, resources utilisation, opportunities for promotion, trust, performance evaluation, impression management, defensive behaviour and ethical guidelines:

- **Role:** The role played by cadre people influences the politicking activities because of their differences in opinion. Managers having a strong support create some problems. The differences of role foster politicking functions in an organisation. Role ambiguity of managers has a wide impact on the politics of an organisation because the behaviour of employees is not clear in this case. Visibility and transparency will not create politics whereas their absence provides more chances of politicking activities.
- **Situation and culture:** Certain situations and culture create politics. Cultural differences in an organisation may encourage politicking activities. They may create a low trust, unclear performance and high pressure of work. Culture helps to develop employees and managers.
- **Resources utilisation:** Resource utilisation emphasises the departmental goals for which the departmental heads want maximum resources for their department. This creates politics and some departments are given more favours than others. Employees and managers engage in political actions to safeguard the interests of their respective departments.
- **Opportunities for promotion:** Promotion opportunities invite politics. Competition creates politics. Promotion avenues offer competition. People wish to gain favour by hook or crook and gain promotion. This influences the resultant decision.
- **Trust:**A lack of trust creates politics. Illegitimate tactics are applied to influence the seers and peers. Absolute trust decreases the scope for politics. Trust reduces misunderstanding.
- **Performance evaluation:** The methods of performance evaluation have an impact on politics in an organisation. The time of performance and the delay in appraisal depend on the political system. Subjective evaluation creates politics.
- **Impression management:**Impression management relates to the perception by the employees about the management. Perception benefits both the employees and management. The management has to create an impression by which the employees are influenced. The impression management involves conformity excuses, apologies, acclaiming, flattery, favour, bias, etc. The management should avoid the impression of being insincere and dishonest. Uncertainty and ambiguity should be avoided.
- **Defensive behaviour:**Employees generally avoid action and blame others for any defects. They resort to reactive and protective style to defend their behaviour. The overaction is avoided by conforming to the

roles, policies and precedents. Passing the responsibility to someone else is also exercised. The strategy of helplessness is used for avoiding unwanted tasks. Apersonalisation is used to avoid certain behaviour. In this case, the persons other than the defaulting persons are treated at fault and reprimanded for behaving properly. Stretching, smoothing and stalling are other techniques of defensive behaviour. Similarly, blame is avoided by buffing, playing safe, justifying, misrepresenting and escalation of commitment. Defensive behaviour includes avoiding change which refers to resisting change.

Avoiding action, blame and change are important components of defensive behaviour. Organisations are very cautious about defensive behaviour because it becomes a liability during the long run. People using defensiveness are unable to resort to any other strategies. They destroy their own capacities. Defensive behaviour is not desirable as it increases interpersonal conflicts, rigidity and stagnation.

- **Ethical guidelines:**Ethical guidelines are used for reducing politicking behaviour. Self- interest is overpowered by organisational interests. Being unethical is an undesirable factor which should be avoided for evading politics. Unethical behaviour is discouraged by the organisation as people are highly politicised by political behaviour.

3.4.2 Impact of Organizational Politics

Though it is virtually impossible to eliminate political behaviour in organizations, it is possible to contain it in such a manner as to limit its dysfunctional consequences. Politics when carried to the extreme can damage morale, create enemies, destroy loyalty, damper cooperative spirit and much time and energy is spent planning attacks and counterattacks which are detrimental to organizational health. Accordingly, combating politics must be undertaken by the top management primarily by such guidelines that would limit political plays. Some of the steps that can be taken for purpose of constraining political activity are summarized as follows:

- **Positive role model:** It is said corruption begins at the top and the lower level people will be corrupt and play politics only when such tactics are accepted or ignored by the top management. Thus, if a manager plays political games, he is conveying a message to his subordinates that such conduct is acceptable. Accordingly, the top management must provide a positive and ethical role model themselves and make it clear to subordinates that such political manoeuvring will not be accepted which is detrimental to employee morale and organizational climate.
- **Open communication:** Since political behaviour is a function of control over resources, information and lines of communication, open and honest communication is an effective techniques in constraining the effects of political behaviour. If the lines of communication are open to all and the necessary

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information is available to all including the information regarding the availability and allocation of scarce resources, then it would not be necessary to engage in political behaviour in order to acquire or control these resources.

- **Reduce uncertainty:** Politics seems to be more prevalent when overall purposes and organizational goals are ambiguous and when expectations of subordinates are not clear and when organizational changes are not made known to all. These elements of uncertainty can provide grounds for political play. Thus political behaviour can be limited if such uncertainty can be reduced or eliminated. This can be done by giving well-defined assignments to all employees making it clear to them as to what the management's expectations of the employees are relative to achievement of clearly defined organizational goals. Thus, participative decision-making and making all relevant information known to all members of the organization at the appropriate time and helping them integrate their personal objectives with organizational objectives will reduce the necessity of political game play.
- **Study the political phenomenon:** It is important that top management be aware of the psychology and philosophy of political behaviour. Simply being aware of the causes and techniques of political behaviour can minimize their effects. This knowledge could prepare the top management not only in combating political behaviour when it occurs but also in anticipating it and taking appropriate steps to avoid it form occurring. For example, certain members who could oppose such a change. By being aware of such possibility, the management can take steps to stop such a coalition from forming or take appropriate measures to successfully confront such a coalition, should it form.

Check Your Progress

5. How is organisational politics different from government-oriented politics?
6. Define covert politics.

3.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The characteristics of power include factors like:
   a. Power may be positive or negative
   b. Power has no correlation with the role of individual in the organization
   c. Power is not consistent and may change as per the performance
2. Coercive power is defined as the use of force to get an employee to follow an instruction or order, where power comes from one's ability to punish the employee for noncompliance.

3. The choice of a power tactic is influenced by the following situational factors:
   a. Relative power
   b. Manager's objectives
   c. Manager's expectation of success
   d. Organizational culture
4. The limitations of power are:
   a. A degradation of decision making process will be witnesses in the organization
   b. The coercive power will get promoted as an acceptable behaviour in the professional environment
   c. The general work environment will become negative inviting poor perception of the employees
5. Organisational politics is different from the government-oriented politics in that it emphasises the role of a person in an organisation. Employees have a certain role to perform in every organisation. When this role is exercised to influence others, it becomes politics.
6. The internal factors creating politicking activities are known as covert politics.

3.6 SUMMARY

- Power differs from authority, in that authority is the right of decision and command and it is legitimate, approved by the organizational structure and is freely accepted by all.
- Power is defined as the 'possibility of imposing one's will on the behaviour of others'.
- Generally, the power attached to a position is more potent than the person who occupies the position. For instance, the position of the president of the United States has great power, no matter who occupies it.
- The two broad types of power in an organizational setting stems from interpersonal sources and structural sources.
- The interpersonal sources of power are reward, coercive, legitimate, expert and referent. The structural sources of power are knowledge, resources and decision-making.
- The three basic sources of leadership power are role power (the power that goes with the position), personality power (power generated by the force of the individual), and knowledge power (power that derives from special skills or knowledge).

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- Power tactics are used by individuals on their own within groups (intragroup) and between groups (intergroup) in order to influence events. Influence can be used in a positive or a negative way.
- Intergroup power is related to influence and dependence. When one group can exert influence over the other, the former has power over the latter.
- Organizational politics is different from the government-oriented politics in that it emphasizes the role of a person in an organization. Employees have a certain role to perform in every organization.
- Politics in an organization is a factual reality. An organization is full of diverse values, goals and interests.
- Apart from the covert and overt factors creating political activities, individual and organizational factors are more important politicking.
- Individual factors include high march, internal locus of control perceived job designs, expectations and self-monitoring. Personality traits, personal needs and other factors create political behaviour.
- Organizational factors are more effective for creating politicking activities than individual factors because a large number of employees are taken into confidence for any activity.
- Politics when carried to the extreme can damage morale, create enemies, destroy loyalty, damper cooperative spirit and much time and energy is spent planning attacks and counterattacks which are detrimental to organizational health.

3.7 KEY WORDS

- **Coalition:** It denotes the coming together of individuals or groups/teams for a specific period with the objective of achieving a common goal.
- **Empirical:** It is based on, concerned with, or verifiable by observation or experience rather than theory or pure logic.
- **Machiavellian:** A person who is cunning, scheming, and unscrupulous, especially in politics is known asMachiavellian character.

3.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. Briefly explain the nature of organizational power.
2. State the factors which affect the intergroup power tactics.

3. What is inter group power tactics?
4. What are the organizational factors responsible for creating political behaviour?

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Long-Answer Questions

1. Explain the various types of power in detail.
2. Discuss the tactics identified by Kipnis and his colleagues when it comes to individual and intragroup strategies.
3. Analyse the effective use of power or power tactics.
4. Describe the impact of organizational politics in detail.

3.9 FURTHER READINGS

Robbins, Stephen P. 2010. *Organizational Behaviour.* New Delhi: Prentice Hall.

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UNIT 4 ORGANIZATIONAL STRESS AND CONFLICT MANAGEMENT

Structure

4.0 Introduction
4.1 Objectives
4.2 Stress Management: Meaning, Types, Sources, Consequences and Management of Stress
  4.2.1 Types of Consequences and Sources of Stress
  4.2.2 Strategies for Managing Stress
4.3 Answers to Check Your Progress Questions
4.4 Summary
4.5 Key Words
4.6 Self Assessment Questions and Exercises
4.7 Further Readings

4.0 INTRODUCTION

In the modern world, stress is a common word that is thrown around quite a bit. It is especially true when it comes to the workplace. Workplace stress is one of the most common type of stress which has affected everyone at some point in their lifetime. This kind of stress has the power to affect performance as well as disrupt an individual's personal life. In this context,stress management refers to a wide spectrum of techniques and psychotherapies, which are aimed at controlling a person's level of stress to improve their everyday functioning. In this unit, we will discuss stress management in detail with its types, sources and ways to manage it.

4.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the meaning and types of stress
- Explain the sources and consequences of stress
- Discuss the management of stress

4.2 STRESS MANAGEMENT: MEANING, TYPES, SOURCES, CONSEQUENCES AND MANAGEMENT OF STRESS

When confronted with an uncomfortable situation like appearing for an interview, giving a formal speech, missing a deadline or ending of an important relationship, different people will have different feelings and reactions—some negative and some positive. Stress refers to the body's physiological, emotional, and psychological responses to an individual's well-being. When the response is in the form of a deviation from healthy functioning, the state is called *distress* (Quick et al. 1997). The reaction which activates and motivates people to achieve their goals, change their environment, and face life's challenges is called *eustress*. In other words, this is the stress that is required for survival. However, most research focuses on distress because it is a significant concern in the organizational setting.

4.2.1 Types of Consequences and Sources of Stress

Stress at the organizational level can emanate from different factors. A few of these are discussed in this section.

- **Task demands**: Stress from the task demand emerges from changes enforced on employees. Change often brings in uncertainty and unpredictability. Change emerges from changes in the economic condition, technology, leadership, and structure. Any kind of change requires adjustments from the employees. If one is not able to respond to these changes effectively, it adds on to the level of stress.
- **Role demands**: Certain negative characteristics of a person's role at work can increase the likelihood of his experiencing stress. Job role demands include high workload, idle period of time, job ambiguity, and conflicting performance expectations. Sona Khanna is a fine example of how excessive demands at work can stress out employees. A shift in-charge in an electronics plant, Sona is stressed out by frequent emergencies and conflicts at work. She hardly has any authority to match her responsibility. A medical examination after she fainted at work revealed that she was suffering from high blood pressure. Stress caused by the excessive demands at work had started affecting her health.
- **Overload**: When there is an expectation from the organization to accomplish more than the ability of the person, it results in work overload. It has been found that for top- and middle-level managers, unreasonable deadlines and constant pressure are the frequent stressors in their jobs (Zemke 1991). Quantitative overload exists when people are requested to do more work than they can comfortably do in the allocated time, and qualitative overload happens when the job requires them to perform beyond their levels of competence and skills.

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- **Underload**: Most people wish to remain occupied and face optimum challenges while performing their jobs. Work underload occurs when people have insufficient work to fill their time or are not allowed to use enough of their skills and abilities. Employees who are underloaded often feel bored, weary, are prone to injury, and frequently absent from work. Machine-based assembly lines are an example of such a work environment. Operating nuclear power plants involves periods of boredom that must be endured simultaneously with sufficient alertness to respond to potential emergencies. Awareness of the costs of an ineffective response to an emergency makes these jobs all the more stressful (Cooper 1987).
- **Role conflict**: Role conflict exists when job functions contains duties or responsibilities that conflict with one another. It is most commonly found among middle managers, who find themselves caught between top-level management and lower-level managers (Giordano et al. 1979). A typical example of a role conflict would be when an employee has to decide between the demands made by the boss to put in extra effort while doing the job or a demand made by the colleagues to restrain one's effort while doing the job. Sometimes, role conflict is also experienced when one has to act contrary to one's own belief and value system; for example, when an individual is expected to take unethical or illegal decisions to safeguard the interests of the organization at the cost of his own principles and beliefs.

  Role conflict brings about increased tension and reduced satisfaction to the person concerned. In addition, it also destroys the level of trust and respect between the two parties concerned, especially the one who is exerting conflicting role pressures on the role incumbent. The results of this in the form of decreased morale and social and psychological pressure can prove to be very costly for the person and the organization.
- **Physical demands**: The physical demands of the workplace can also have a devastating impact on the mental and physical health of the employees. Poor working conditions in the form of extreme temperatures, loud noises, too much or too little lighting, radiation, and air pollutants are some examples of working conditions that can take a toll on employees. The first impact of these factors is on job performance, which starts deteriorating. High travel demands or long-distance commuting, excessive travel, and long hours all add up to increased stress and reduced performance. In addition to this, advancements in technology which provides immense relief and efficiency to people who are proficient at it can cause damage and stress to those who are averse to it.

  With the increase in the number of call centres and business process outsourcing firms (BPOs) in the business environment, the threat of physical demands on employees has increased in intensity and can be the cause of stress-related disorders if not checked immediately.

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- **Career development**: One of the major sources of stress in organizations today is the aspiration level of employees. The issues related to career planning and development such as job security, promotions, transfers and other developmental processes like under-promotion (failure to grow in the job as per the aspiration levels) or over-promotions (promotion to a job that exceeds the competency levels of employees) can create high anxiety and stress among the persons concerned. Whenever any change is introduced in the organization, employees are concerned about its effects on their future. The employees experience many career-related concerns such as, "Will I be able to contribute effectively in the new job? Is there a possibility of growth? Is the new job secure?" These concerns are the main sources of stress among them.
- **Organizational politics**: Each and every employee of the organization is a part of a formal or an informal group or team. Good working relationship with peers, subordinates, and superiors is very crucial for the successful performance of the organization and also to help employees to achieve their personal and organizational goals. The disregard for each other in the organization results in rude behaviour and becomes a cause for stress. A high level of political behaviour or office politics can also be a source of stress for managers and employees. A by-product of power struggles within an organization is heightened competition and increased stress for participants. Managers who are caught up in power games and political alliances also pass on pressure to subordinates (Matteson and Ivancevich 1987).
- **Aggressive behaviour**: A very common form of aggressive behaviour in organizations is observed in the form of violence and sexual harassment. Aggressive behaviour that intentionally threatens or causes physical harm to other employees has been defined as workplace violence. It has been found to be one of the major sources of stress in firms (Atkinson 2001). Sexual harassment is unwanted contact or communication of a sexual nature (Mink 2000). Today, with more number of women employees entering the corporate world, this issue has become very pertinent and has to be dealt with in right ways. Management, therefore, has a strong responsibility to prevent sexual harassment from happening in organizations. If at all it occurs, it has to be dealt with quickly and firmly. Ignoring genuine complaints can prove to be costly. Mitsubishi had to pay $34 million to 350 female workers at its Illinois plant because it repeatedly ignored their complaints about a sexually hostile working environment. Infosys had to make a $3 million payout to settle a sexual harassment case filed against it and its former director, Phaneesh Murthy.

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Environmental factors

The environment in which the organizations operate has a profound impact on their working. The economic, political, and technological events happening in the external environment cause stress in varying degrees as they have many uncertainties associated with them. The anxiety aroused by uncertain environmental factors carries over into the workplace and then to our personal lives. Some of these factors are included here.

- **Economic uncertainty**: Downsizing, rightsizing, retrenchment, restructuring, etc. are all done in the name of efficiency and cost reduction to improve profitability. The employees who are made redundant as a result of these exercises are forced to look for other means of sustenance. With the regulatory announcement made by the government, organizations are left to find ways to manage these uncertainties which can cause anxiety and stress both for the employer and the employees.
- **Technological changes**: Advancements in technology in the form of automation, computerization, and robotics has contributed immensely to the productivity and profitability of organizations. However, it also has caused displacement of skilled workers who have to now unlearn and learn new skills to match up with the expectations of the organization. The knowledge of advanced technology also creates a disparity between the new breed of workers and the old masters of the game. Older employees are generally resistant to learning necessary technical skills and competing against the younger employees who are proficient in them. This gap creates a feeling of negativity and antagonism between the two breeds of workers, thereby generating stress.
- **Political uncertainty**: Political disturbance in the external environment has tremendous impact on the working of business organizations. The philosophies, policies, and the systems approved by the political party which is in power determine the ways organizations have to operate. This is more visible in government-funded organizations like aerospace, defence, and science and technology. Even unemployed persons can feel stressed out about political uncertainties as they might affect their social security and welfare.

4.2.2 Strategies for Managing Stress

Stress is an aspect of our life that cannot be avoided. Since it cannot be eliminated completely, one needs to understand the techniques and strategies to control its effects and thereby enjoy more productive, satisfying lives both at the workplace and away from the workplace. Since the source of stress lies both at the individual level and at the organizational level, the techniques to control the negative impact of stress have to be identified both at the individual and at the organizational level.

The management of stress consists of the following three-step process:

- **Awareness:** The first step towards managing stress is to be aware of the symptoms of stress, especially the negative ones. Some of the consequences of stress in terms of physiological, psychological, and behavioural consequences have been discussed earlier.
- **Identifying the source:** Once the symptoms are palpable, the second step is to diagnose the source of the factors that lead to stress.
- **Coping with stress:** After diagnosing the stressors, one needs to develop strategies to cope with them. Stressors can be dealt with in two ways: one is by directly removing or changing them and secondly, by helping individuals modify or manage their emotional feelings and reactions in constructive ways.

Check Your Progress

1. What is the difference between stress and distress?
2. Why are environmental factors significant in stress management?

4.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Stress refers to the body's physiological, emotional, and psychological responses to an individual's well-being. When the response is in the form of a deviation from healthy functioning, the state is called distress.
2. The environment in which the organizations operate has a profound impact on their working. The economic, political, and technological events happening in the external environment cause stress in varying degrees as they have many uncertainties associated with them. The anxiety aroused by uncertain environmental factors carries over into the workplace and then to our personal lives.

4.4 SUMMARY

- Stress refers to the body's physiological, emotional, and psychological responses to an individual's well-being. When the response is in the form of a deviation from healthy functioning, the state is called distress.
- Stress from the task demand emerges from changes enforced on employees. Change often brings in uncertainty and unpredictability. Change emerges from changes in the economic condition, technology, leadership, and structure.

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- Role conflict exists when job functions contains duties or responsibilities that conflict with one another.
- The environment in which the organizations operate has a profound impact on their working. The economic, political, and technological events happening in the external environment cause stress in varying degrees as they have many uncertainties associated with them.
- Stress is an aspect of our life that cannot be avoided. Since it cannot be eliminated completely, one needs to understand the techniques and strategies to control its effects and thereby enjoy more productive, satisfying lives both at the workplace and away from the workplace.

4.5 KEY WORDS

- **Stress:** It refers to the body's physiological, emotional, and psychological responses to an individual's well-being.
- **Empathy:** It is the ability to understand and share the feelings of another person.

4.6 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What are the three steps for managing stress?
2. Why is stress unavoidable at the workplace?

Long-Answer Questions

1. Elaborate on the various sources of stress.
2. Explain the environmental factors affecting workplace stress level.

4.7 FURTHER READINGS

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BLOCK - II

PROCESS AND STRATEGIES

NOTES

UNIT 5 ORGANIZATIONAL CONFLICT

Structure

5.0 Introduction
5.1 Objectives
5.2 Organizational Conflict: Introduction
  5.2.1 Constructive and Destructive Conflict
  5.2.2 Conflict Process
  5.2.3 Strategies for Encouraging Constructive Conflict
  5.2.4 Strategies for Resolving Destructive Conflict
5.3 Answers to Check Your Progress Questions
5.4 Summary
5.5 Key Words
5.6 Self Assessment Questions and Exercises
5.7 Further Readings

5.0 INTRODUCTION

In the previous unit, you studied about the concept of stress management. Any workplace stress is a consequence of some conflict or another. Conflict could arise due to any number of reasons. There are many strategies which are needed to be adopted to deal with these conflicts. This unit will introduce you to the concept of organizational conflict management wherein you will study about constructive and destructive conflict,conflict process, strategies for encouraging constructive conflict and strategies for resolving destructive conflict.

5.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the meaning of organizational conflict
- Explain constructive and destructive conflicts
- Discuss the strategies for resolving constructive and destructive conflicts

5.2 ORGANIZATIONAL CONFLICT: INTRODUCTION

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The concept of conflict, being an outcome of behaviours, is an integral part of human life. Wherever there is interaction, there is conflict. Conflict can be defined in many ways and can be considered as an expression of hostility, negative attitudes, antagonism, aggression, rivalry and misunderstanding. It is also associated with situations that involve contradictory or irreconcilable interests between two opposing groups. It can be defined as a disagreement between two or more individuals or groups, with each individual or group trying to gain acceptance of its view or objectives over others.

Conflict must be distinguished from competition, even though sometimes intense competition leads to conflict. Competition is directed towards obtaining a goal and one group does not interfere with the efforts of another group while conflict is directed against another group and actions are taken to frustrate the other group's actions towards goal achievement.

5.2.1 Constructive and Destructive Conflict

Since conflict has both positive and negative connotations and consequences, it must be looked into and managed for useful purposes. The management must survey the situation to decide whether to stimulate conflict or to resolve it. Thomas and Schmidt have reported that managers spend up to twenty per cent of their time in dealing with conflict situations. Hence, it is very important that managers understand the type of conflict that they have to deal with so that they can devise some standardised techniques in dealing with common characteristics of conflicts in each type of category. There are five basic types of conflicts. These are:

- **Conflict within the individual:** The conflict within the individual is usually value related, where the role playing expected of the individual does not conform with the values and beliefs held by the individual. For example, a secretary may have to lie on instructions that her boss is not in the office to avoid an unwanted visitor or an unwanted telephone call. This may cause a conflict within the mind of the secretary who may have developed an ethic of telling the truth. Similarly, many Indians who are vegetarians and visit America and find it very hard to remain vegetarians, may question the necessity of the vegetarian philosophy, thus causing a conflict in their minds.

  In addition to these value conflicts, a person may have a role conflict. For example, a telephone operator may be advised and required to be polite to the customers by her supervisor who may also complain that she is spending too much time with her customers. This would cause a role conflict in her mind. Similarly, a policeman may be invited to his brother's wedding where he may find that some guests are using drugs which is against the law. It may cause conflict in his mind as to which role he should play–of a brother or of

a policeman. Conflict within an individual can also arise when a person has to choose between two equally desirable alternatives or between two equally undesirable goals.

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- **Interpersonal conflict:** Interpersonal conflict involves conflict between two or more individuals and is probably the most common and most recognised conflict. This may involve conflict between two managers who are competing for limited capital and manpower resources. For example, interpersonal conflicts can develop when there are three equally deserving professors and they are all up for promotion, but only one of them can be promoted because of budget and positional constraints. This conflict can become further acute when the scarce resources cannot be shared and must be obtained.

  Another type of interpersonal conflict can relate to disagreements over goals and objectives of the organization. For example, some members of a board of a school may want to offer courses in sex education while others may find this proposal morally offensive thus causing conflict. Similarly, a college or a university may have a policy of quality education so that only top quality students are admitted while some members of the organizational board may propose 'open admissions' policy where all high schools graduates should be considered for admission. Such a situation can cause conflict among members of the governing board. In addition to conflicts over the nature and substance of goals and objectives, they can also arise over the means to reach these goals. For example, two marketing managers may argue as to which promotional methods would result in higher sales. These conflicts become highlighted when they are based upon opinions rather than facts. Facts are generally indisputable resulting in agreements. Opinions are highly personal and subjective and may provide for criticism and disagreements.

  These conflicts are often the results of personality clashes. People with widely differing characteristics and attitudes are bound to have views and aims that are inconsistent with the views and aims of others.

- **Conflict between the individual and the group:** As we have discussed before, all formal groups as well as informal groups have established certain norms of behaviour and operational standards that all members are expected to adhere to. The individual may want to remain within the group for social needs but may disagree with the group methods. For example, in some restaurants, all tips are shared by all the waiters and waitresses. Some particular waitress who may be overly polite and efficient may feel that she deserves more, thus causing a conflict within the group. Similarly, if a group is going on strike for some reason, some members may not agree with these reasons or simply may not be able to afford to go on strike, thus causing conflict with the group.

  This conflict may also be between the manager and a group of subordinates or between the leader and the followers. A manager may take a disciplinary

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action against a member of the group, causing conflict that may result in reduced productivity. 'Mutiny on the Bounty' is a classic example of rebellion of the crew of the ship against the leader, based upon the treatment the crew received. The conflict among the armed forces is taken so seriously that the army must obey their commander even if the command is wrong and in conflict with what others believe in.

- **Intergroup conflict:** An organization is an interlocking network of groups, departments, sections and work teams. These conflicts are not so much personal in nature, as they are due to factors inherent in the organizational structure. For example, there is active and continuous conflict between the union and the management. One of the most common, unfortunate and highlighted conflict is between line and staff. The line managers may resent their dependence on staff for information and recommendations. The staff may resent their inability to directly implement their own decisions and recommendations. This interdependence causes conflict. These conflicts that are caused by task interdependencies require that the relationship between interdependent units be redefined, wherever the values of these interdependent factors change, otherwise these conflicts will become further pronounced.

  These inter-unit conflicts can also be caused by inconsistent rewards and differing performance criteria for different units and groups. For example, salesmen who depend upon their commission as a reward for their efforts may promise their customers certain quantity of the product and delivery times that the manufacturing department may find it impossible to meet, causing conflict between the two units.

  Different functional groups within the organization may come into conflict with each other because of their different specific objectives. There are some fundamental differences among different units of the organization both in the structure and the process and thus each unit develops its own organizational sub-culture. These sub-cultures, according to Lawrence and Lorsch differ in terms of: (a) goal orientation that can be highly specific for production but highly fluid for Research and Development, (b) time orientation that is short run for sales and long run for research, (c) formality of structure that is highly informal in research and highly formal in production and (d) supervisory style that may be more democratic in one area as compared to another.

  A classic example of inter-unit conflict is between sales and production, as discussed earlier. The sales department is typically customer-oriented and wants to maintain high inventories for filling orders as they are received, which is a costly option as against the production department that is strongly concerned about cost effectiveness requiring as little inventory of finished product at hand as possible. Similarly, inter-group conflict may arise between

day shift workers and night shift workers who might blame each other for anything that goes wrong from missing tools to maintenance problems.

- **Inter-organizational conflict:** Conflict also occurs between organizations that in some way are dependent on each other. This conflict may be between buyer organizations and the supplier organizations about quantity, quality and delivery times of raw materials and other policy issues, between unions and organizations employing their members, between government agencies that regulate certain organizations and the organizations that are affected by them. These conflicts must be adequately resolved or managed properly for the benefit of both types of organizations.

5.2.2 Conflict Process

The earlier traditional view of conflict considered it harmful, destructive and unnecessary. This view was consistent with the attitudes that prevailed about group behaviour and interaction during 1930s and 1940s. The existence of conflict was regarded as a sign that something had gone wrong and it needed to be corrected. The view held that conflict is to be avoided at all costs. Both the scientific management approach and the administrative school of management relied heavily on developing such organizational structures that would specify tasks, rules, regulations, procedures and authority relationships so that if a conflict develops then these built-in rules and regulations would identify and correct problems of such conflict. It was believed that the existence of conflict reflected poor management and the deliberate efforts of trouble makers. Thus through proper management techniques and attention to the causes of conflict, it could be eliminated and organizational performance improved. The Human Relations school subscribed to a similar theory that conflict is avoidable by creating an environment of goodwill and trust. Since organizational conflict involves disagreements on such factors as allocation of resources, nature of goals and objectives, organizational policies and procedures, nature of assignments and distribution of rewards, this conflict at its worst can lead to unnecessary stress, blockage in communication, lack of cooperation, increased sense of distrust and suspicion and this results in reduced organizational effectiveness. Accordingly, management has always been concerned with avoiding conflict if possible and resolving it soon if it occurs.

In recent years however, management scholars have shifted their view of conflict. This view is known as behavioural view and it proposes that because people differ in their attitudes, values and goals, conflict is but a natural outcome in any group of people and that it can be helpful and constructive if it is handled properly. The more modern view of conflict holds that conflict may in fact, under certain situations, be necessary for performance effectiveness, because harmonious, peaceful and cooperative groups can become static and such level of conflict that keeps the group alive, self-critical and creative is desirable and management is usually encouraged to maintain such level of conflict. This is especially true in such organizations as Research and Development, advertising agencies, public policy groups and so on.

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Consequences

Some of the positive consequences of conflict are:

- **It helps in analytical thinking:** Conflict may induce challenge to such views, opinions, rules, policies, goals and plans that would require a critical analysis in order to justify these as they are or make such changes that may be required, As H.M. Carlisle puts it, 'no situation is more detrimental to an organization than letting poor decisions go unchallenged.'
- **It helps in increased cohesion:** Conflict between different organizations develops loyalty and cohesion within an organization and it develops a greater sense of group identity in order to compete with outsiders. It fosters in dedication and commitment to organizational and group goals.
- **Conflict promotes competition and hence it results in increased efforts:** Some individuals are highly motivated by conflict and severe competition. For example, a professor who is turned down for a promotion due to conflict within the division may work harder to prove that he is more capable and deserves a promotion. Similarly, if a group of production workers during the day shift finds out that the similar group at night shift produced more, it would result in the improved performance for the day shift also. Thus such conflict and competition leads to high level of effort and output.
- **It serves as a foundation for organizational development:** Conflict with the status quo is a pre-requisite to change. Creative and innovative people are always looking for grounds to challenge the status quo. These challenges lead to search for alternatives to existing patterns that leads to organizational change and development.
- **Conflict when expressed can clear the air and reduce tension:** Some disagreements if unexpressed, can lead to imaginative distortions of truth, sense of frustration and tension, high mental exaggerations and biased opinions resulting in fear and distrust. However, when it is expressed, it may show the cause of conflict to be a minor one resulting in cooperation and compromise.

5.2.3 Strategies for Encouraging Constructive Conflict

It has been pointed out earlier that under certain circumstances, conflict is necessary and desirable in order to create changes and challenges within the organization. In such situations the management would adopt a policy of conflict stimulation so that it encourages involvement and innovation. How does the manager recognise a situation that is vulnerable to conflict stimulation? Some of the factors for creating conflict are: too much satisfaction with the status quo, low rate of employee turnover, shortage of new ideas, strong resistance to change, friendly relations taking

precedence over organizational goals and excessive efforts at avoiding conflict. Some of the ways of stimulating conflict as suggested by S.P. Robbins are:

- **Appoint managers who support change:** Some highly authoritative managers are very conservative in their outlook and tend to suppress opposing viewpoints. Accordingly, change-oriented managers should be selected and placed in such positions that encourage innovation and change from the status quo.
- **Encourage competition:** Competition, if managed properly can enhance conflict which would be beneficial to the organization. Such competition can be created by tying incentives to performance, recognition of efforts, bonuses for higher performance and status enhancement. Such competition and conflict would result in new ideas regarding improving productivity.
- **Manipulate scarcity:** Let the various individuals and groups compete for scarce resources. This would cause conflict and make the individuals and groups do their best in order to fully utilise such resources. For example, one company president felt that the budget allocations to various departments did not reflect changing priorities and accordingly, a zero-based budget system was introduced so that each department had to justify its current budget regardless of the past allocations. This created fierce competition and conflict and resulted in changes in funds allocation that were beneficial to the organization.
- **Play on status differences:** Sometimes, ignoring the senior staff members and giving visible responsibilities to junior members makes the senior staff work harder to prove that they are better than the junior staff members. In one business school, the dean appointed a low-status assistant professor in charge of the curriculum. The senior professors resented having to answer to the junior professor. This caused conflict and in order to assert their superiority, the full professors initiated a series of changes that revitalised the entire MBA programme.
- **Interpersonal trust building:** While there are a number of behavioural as well as organizational factors, as discussed before, that contribute to the existence of conflict, there may be just one single factor that may be highly contributory to reducing that conflict. This factor is 'trust'. Trust is, highly intangible element but very important in our civilized living. Its presence or absence can govern our inter-personal behaviour to large extent. Our ability to trust has a great impact on our working lives, our family interactions and our achievement of personal and organizational goals.

  Since trust is a function of behaviour, such behaviours that lead to defensiveness must be identified and modified. These defensive or aggressive behaviours create a climate that is conducive to mistrust thus leading to conflict in interpersonal areas. Jack Gibb has identified certain behaviours that he calls 'aggressive' behaviours that should be avoided and certain

behaviours which he calls 'supportive' behaviours that tend to reduce defensiveness and conflict and should be promoted.

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Dr. John K. Stout of the university of Scranton, writing in *Supervisory Management* (February 1984), suggests that these behaviours are not necessarily mutually exclusive, nor should all the aggressive behaviours be avoided under all circumstances, but in general the supportive behaviour attitudes should be adopted as much as possible. These behaviours are briefly described as follows:

5.2.4 Strategies for Resolving Destructive Conflict

Conflict resolution is a method of solving a social conflict peacefully. Many times, group members try to resolve their conflicts and disputes by communicating information to the rest of the group regarding the conflict through their intentions and reasons for having such beliefs. It has also been seen that negotiation is an important aspect of conflict resolution. Apart from negotiation there are other methods also which are employed to resolve conflict, such as mediation, diplomacy, etc.

The concept of conflict resolution has been used interchangeably from time to time with dispute resolution where legal process is involved. Conflict resolution on the other hand uses non-violent techniques in order to achieve effective resolution.

Dual model of conflict resolution

This aspect of conflict resolution deals with an individual's preference to deal with a conflict. This is based on two dimensions:

- Assertiveness or a concern for one self
- Empathy or concern for others

According to this method, group members in an organization try to achieve a fine balance between satisfying their personal needs and concern for satisfying the needs for others. This leads to a middle path where an individual develops a style for conflict resolution based on his choices. This can be explained in the following strategies or styles which an individual follows to resolve conflict. They are as follows:

- **Avoidance conflict style:** This style is characterized by passivity or inaction as the individual has minimal concern about his or her interest or the interest of his group members. In case of a conflict, these individuals remain passive and wait for the conflict to phase out, which in the long run might lead to the conflict to aggravate and become out of control.
- **Yielding conflict style:** In this style an individual has an increased concern for others and the least concern for themselves. In this type of resolution style, the individual gains personal satisfaction from meeting the needs of others. It is important for these individuals to maintain stable

and cordial social relationships. It has been seen that in yielding conflict style, an individual tends to given into the demands of others out of respect for the relationship they share.

- **Competitive conflict style:** In this the individual is more concerned about his interest. This style maximizes individual assertiveness. Members of such groups enjoy dominating others and see conflict as a 'win or lose' situation. These individuals generally force others to accept their personal views by employing power tactics such as arguing, insulting, accusing, etc.
- **Cooperation conflict style:** In this type of conflict resolution style, the individual is concerned for personal as well as other group member's interest. In this style of conflict resolution, an effort is made to amicably solve conflict in order to satisfy both parties in the conflict. This type of individual can be characterized as to being both assertive and empathetic at the same time. These individuals see conflict as an opportunity for growth and are thus willing to invest time and resources to find a "win-win" solution.
- **Conciliation conflict style:** This type of conflict style is of a compromising nature. This style is typical of individuals who are concerned for both personal and other members' interest. The resolution in this case is a result of a give-and-take interaction. These individuals value fairness and therefore accept some demands put forth by others. This conflict resolution style is considered to be an extension of yielding and cooperative styles.

Except in very few situations where the conflict can lead to competition and creativity so that in such situations the conflict can be encouraged, in all other cases where conflict is destructive in nature, it should be resolved as soon has it has developed and all efforts should be made to prevent it from developing.

Preventing conflict

Some of the preventive measures that the management can take, according to Schein are:

- **Goal structure:** Goals should be clearly defined and the role and contribution of each unit towards the organizational goal must be clearly identified. All units and the individuals in these units must be aware of the importance of their role and such importance must be fully recognised.
- **Rewards system:** The compensation system should be such that it does not create individual competition or conflict within the unit. It should be appropriate and proportionate to the group efforts and reflect the degree of interdependence among units where necessary.

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- **Trust and communication:** The greater the trust among the members of the unit, the more honest and open the communication among them would be. Individuals and units should be encouraged to communicate openly with each other so that they can all understand each other, understand each other's problems and help each other when necessary.
- **Coordination:** Coordination is the next step to communication. Properly coordinated activities reduce conflict. Wherever there are problems in coordination, a special liaison office should be established to assist such coordination.

Resolving behavioural conflict

Various researchers have identified five primary strategies for dealing with and reducing the impact of behavioural conflict. Even though different authors have given different terminology to describe these strategies, the basic content and approach of these strategies remain the same. These are:

- **Ignoring the conflict:** In certain situations, it may be advisable to take a passive role and avoid it all together. From the manager's point of view, it may be especially necessary when getting involved in a situation would provoke further controversy or when conflict is so trivial in nature that it would not be worth the manager's time to get involved and try to solve it. It could also be that the conflict is so fundamental to the position of the parties involved that it may be best either to leave it to them to solve it or to let events take their own course. The parties involved in the conflict may themselves prefer to avoid conflict, especially if they are emotionally upset by the tension it causes. Thus, people may try to get away from conflict causing situations.
- **Smoothing:** Smoothing simply means covering up the conflict by appealing for the need for unity rather than addressing the issue of conflict itself. An individual with internal conflict may try to 'count his blessings' and forget about the conflict. If two parties have a conflict within the organization, the supervisor may try to calm things down by being understanding and supportive to both parties and appealing to them for cooperation. The supervisor does not ignore or withdraw from the conflict nor does he try to address and solve the conflict but expresses hope that 'everything will work out for the best of all.' Since the problem is never addressed, the emotions may build up further and suddenly explode. Thus, smoothing provides only a temporary solution and conflict may resurface again in the course of time. Smoothing is a more sensitive approach than avoiding in that as long as the parties agree that not showing conflict has more benefits than showing conflict, then such conflict can be avoided.
- **Compromising:** A compromise in the conflict is reached by balancing the demands of the conflicting parties and bargaining in a 'give and take' position

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to reach a solution. Each party gives up something and also gains something. The technique of conflict resolution is very common in negotiations between the labour unions and management. It has become customary for the union to ask for more than what they are willing to accept and for management to offer less than what they are willing to give in the initial stages. Then through the process of negotiating and bargaining, mostly in the presence of arbitrators, they reach a solution by compromising. This type of compromise is known as integrative bargaining in which both sides win in a way.

Compromising is a useful technique, particularly when two parties have relatively equal power, thus no party can force its viewpoint on the other and the only solution is to compromise. It is also useful when there are time constraints. If the problems are complex and many faceted, and the time is limited to solve them, it might be in the interest of conflicting parties to reach a compromise.

- **Forcing:** As Webber puts it, 'the simplest conceivable resolution is the elimination of the other party–to force opponents to flee and give up the fight–or slay them.' This is a technique of domination where the dominator has the power and authority to enforce his own views over the opposing conflicting party. This technique is potentially effective in situations such as a president of a company firing a manager because he is considered to be a trouble-maker and conflict creator. This technique always ends up in one party being a loser and the other party being a clear winner. Many professors in colleges and universities have lost promotions and tenured reappointments because they could not get along well with their respective chairpersons of the departments and had conflicts with them. This approach causes resentment and hostility and can backfire. Accordingly, management must look for better alternatives, if these become available.
- **Problem-solving:** This technique involves 'confronting the conflict' in order to seek the best solution to the problem. This approach objectively assumes that in all organizations, no matter how well they are managed, there will be difference of opinions that must be resolved through discussions and respect for differing viewpoints. In general, this technique is very useful in resolving conflicts arising out of semantic misunderstandings. It is not so effective in resolving non-communicative types of conflicts such as those that are based on differing value systems, where it may even intensify differences and disagreements. In the long run, however, it is better to solve conflicts and take such preventive measures that would reduce the likelihood of such conflicts surfacing again.

Resolving structural based conflicts

The structural based conflicts are built around organizational environments and can be resolved or prevented by redesigning organizational structure and work-

flow. A general strategy would be to move towards as much decentralization as possible so that most of the disputes can be settled at the lower levels in the organization, and faster too.

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Since interdependency is one of the major causes of conflict, it is necessary to identify and clarify poorly defined and poorly arranged interdependencies or to make these adequately understood and reliable. This can be achieved through unifying the work-flow. This work-flow can be designed either to increase the interdependencies or to eliminate them entirely. Increased interdependencies can be achieved through more frequent contacts and improved coordinating mechanisms. This would make the two interdependent units act as a single unit thus eliminating the cause of conflict. The other extreme could be to make the two units totally independent of one another. For example, in the case of units building an automobile engine, instead of an assembly line operation in which each person or unit is involved in sequential assembly so that each unit depends upon the work of the previous units, each major unit can work on the entire engine at the same time.

However these extremes are not in common practice. More often, the strategy would be to reduce the interdependence between individuals or groups. A common approach to do that is by 'buffering'. Buffering requires that sufficient inventories be kept on hand between interrelated units so that they always have the materials to work with thus reducing their interdependency. Another cause of conflict, is the undefined, unclear and ambiguous job expectation. It is important to clarify what each individual and each subunit is expected to accomplish. This would include authority-responsibility relationship and a clear line of hierarchy. In addition, policies, procedures and rules should be clearly established and all communication channels must be kept open so that each person knows exactly what role he has to play in the hierarchical structure. This would avoid situations in which none of the two units does the job because each thought the other was supposed to do or both units do the same job thus duplicating efforts due to misunderstanding. Thus, if each subordinate is fully aware of his responsibility, then such problems would not occur.

Conflicts will occur whenever the wants and needs of two or more parties are greater than the sum of the firm's resources available for allocation. These resources may be in the form of a pay raise, promotion, office space, office equipment and so on. This conflict can be reduced by planning ahead about the proper distribution of such resources, instead of making haphazard and last minute allocations.

The conflict between different departments may be managed by establishing liaison. Liaison officers are those who are neutral in their outlook and are sympathetic to both parties and kind of 'speak the language' of both groups. They do not have a vested interest in any of these groups. According to studies conducted by Sykes and Bates, it was shown that in one company where there was evident conflict

between sales and manufacturing, which are interdependent units, the problem was solved by establishing a demand analysis and sales order liaison office. The liaison group handled all communication for sales and resolved issues such as sales requirements, production capacity, pricing and delivery schedules.

Since one of the major causes of conflict is lack of proper knowledge and facts about how other people think and act, it may be a good idea to let the individuals work with different groups so that they know each other better and understand each other better. Care should be taken however that these individuals are technically capable of fitting in these various groups. This mutual understanding will result in trust and respect thus reducing the likelihood of conflict. This understanding can also be achieved by serving as members of the various committees. As individuals from various work units get to know each other better through the membership in the same committee, it leads to increased tolerance and understanding of different viewpoints as well as a realization that basically all units are pursuing similar objectives and same overall goal.

Check Your Progress

1. State the difference between conflict and competition.
2. When is the 'compromising' technique largely used for resolving conflict?
3. How to solve conflicts arising due to competition for scarce resources?

5.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Competition is directed towards obtaining a goal and one group does not interfere with the efforts of another group while conflict is directed against another group and actions are taken to frustrate the other group's actions towards goal achievement.
2. Compromising is a useful technique, particularly when two parties have relatively equal power, thus no party can force its viewpoint on the other and the only solution is to compromise. It is also useful when there are time constraints.
3. Conflicts will occur whenever the wants and needs of two or more parties are greater than the sum of the firm's resources available for allocation. These resources may be in the form of a pay raise, promotion, office space, office equipment and so on. This conflict can be reduced by planning ahead about the proper distribution of such resources, instead of making haphazard and last minute allocations.

5.4 SUMMARY

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- The earlier traditional view of conflict considered it harmful, destructive and unnecessary. This view was consistent with the attitudes that prevailed about group behaviour and interaction during 1930s and 1940s. In recent years however, management scholars have shifted their view of conflict. This view is known as behavioural view and it proposes that because people differ in their attitudes, values and goals, conflict is but a natural outcome in any group of people and that it can be helpful and constructive if it is handled properly.
- Under certain circumstances, conflict is necessary and desirable in order to create changes and challenges within the organization.
- Conflict resolution is a method of solving a social conflict peacefully. Many times, group members try to resolve their conflicts and disputes by communicating information to the rest of the group regarding the conflict through their intentions and reasons for having such beliefs.
- Various researchers have identified five primary strategies for dealing with and reducing the impact of behavioural conflict: ignoring the conflict, smoothing, compromising, forcing, and problem-solving.
- The structural based conflicts are built around organizational environments and can be resolved or prevented by redesigning organizational structure and work-flow.

5.5 KEY WORDS

- **Conflict Resolution:** It is conceptualized as the methods and processes involved in facilitating the peaceful ending of conflict and retribution.
- **Buffering:** It requires that sufficient inventories be kept on hand between interrelated units so that they always have the materials to work with thus reducing their interdependency.

5.6 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. Write a short note on organizational conflict.
2. State the positive consequences of conflict.
3. How can behavioural conflict be resolved?

Long-Answer Questions

1. Discuss the strategies for encouraging constructive conflict.
2. Explain the strategies for resolving destructive conflict.
3. Describe the conflict process in detail.

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5.7 FURTHER READINGS

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UNIT 6 ORGANIZATIONAL DYNAMICS

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Structure

6.0 Introduction
6.1 Objectives
6.2 Aspects of Organizational Dynamics
6.2.1 Organizational Efficiency
6.2.2 Efficiency and Effectiveness: Meaning and Approaches
6.3 Organizational Culture: Meaning and Significance
6.3.1 Organizational Climate
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6.4 Organizational Climate: Implications on Organizational Behaviour
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6.8 Self Assessment Questions and Exercises
6.9 Further Readings

6.0 INTRODUCTION

This unit will discuss in detail the concept of organizational dynamics and will assist you in understanding organizational excellence and organizational efficiency and the difference between the two of them. The unit will also throw light upon the meaning, approaches and factors affecting organizational climate and organizational culture. Organizational dynamics is nothing but the process which focuses on the continuous development and enhancement of employee performances in an organization.

6.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the concept of organizational dynamics in detail
- Explain the concept of organizational excellence and organizational efficiency in detail

- Discuss the meaning and significance of organizational culture
- Describe the concept of organizational climate and its implications on organizational behaviour

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6.2 ASPECTS OF ORGANIZATIONAL DYNAMICS

Organizational effectiveness is defined as an extent to which an organization achieves its predetermined objectives with the given amount of resources and means without placing undue strain on its members. This is also called organizational dynamics. Sometimes efficiency and effectiveness are used as synonyms. However, there exists a difference between the two concepts. Therefore, it is important to explain the difference between the concepts of effectiveness and efficiency to understand why organizations may be effective but not efficient, or efficient but not effective. Effectiveness is a broad concept and takes into account a collection of factors both inside and outside an organization. It is commonly referred to as the degree to which predetermined goals are achieved. On the other hand, efficiency is a limited concept that pertains to the internal working of an organization. It refers to an amount of resources used to produce a particular unit of output. It is generally measured as the ratio of inputs to outputs. Further, effectiveness concentrates more on human side of organizational values and activities whereas efficiency concentrates on the technological side of an organization. However, the concept of effectiveness is not simple because there are many approaches in conceptualizing this term. Such approaches can be grouped into following three approaches:

- **Goal approach:** Goal attainment is the most widely used criterion of organizational effectiveness. In goal approach, effectiveness refers to maximization of profits by providing an efficient service that leads to high productivity and good employee morale. Campbell has suggested several variables such as, quality, productivity, efficiency, profit, turnover, accidents, morale, motivation and satisfaction, which help in measuring organizational effectiveness. However, none of the single variable has proved to be entirely satisfactory. The main limitation of this approach is the problem of identifying the real goals rather than the ideal goals.
- **Functional approach:** This approach solves the problem of identification of organizational goals. Parson states that since it has been assumed that an organization is identified in terms of its goal, focus towards the attainment of these goals should also aim at serving the society. Thus, the vital question in determining effectiveness is how well an organization is doing for the super-ordinate system. The limitation of this approach is that when organizations have autonomy to follow its independent courses of action, it is difficult to accept that ultimate goal of organization will be to serve society. As such, it cannot be applied for measuring organizational effectiveness in terms of its contributions to social system.

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Both the goal and functional approach do not give adequate consideration to the conceptual problem of the relations between the organization and its environment.

- **System resource approach:** System-resource approach of organizational effectiveness emphasizes on interdependency of processes that relate the organization to its environment. The interdependence takes the form of input-output transactions and includes scarce and valued resources such as physical, economic and human for which every organization competes. The limitation of this model is that an acquisition of resources from environment is again related to the goal of an organization. Therefore, this model is not different from the goal model. Thus, discussion of organizational effectiveness leads to the conclusion that there is no single indicator of effectiveness. Instead, the approach should focus on operative goals that would serve as a basis for assessment of effectiveness. Managerial effectiveness is a causal variable in organizational effectiveness. It has been defined in terms of organizational goal-achieving behaviour, i.e., the manager's own behaviour contributes to achievement of organizational goals.

6.2.1 Organizational Efficiency

Organizational efficiency can be defined as the capacity of an organization to produce desired results with a minimum expenditure of energy, time and money. These desired effects depend on the goals of an organization which could be anything from making profit by producing and selling a product to function properly on a lower budget. Therefore, an organization operating efficiently will produce goods without waste, if the organization is both efficient and effective, it will be achieve its profit goals by producing and selling the goods without wastage. This is also referred to as maximizing profits in the business world.

A late 19th century sociologist Max Weber who studied organizational analysis said that the organizations could develop efficiency by certain system of rules and guidelines and by division of labour. The model created by Weber is considered bureaucratic, impersonal and goal oriented. However, a 20th century Austrian social scientist Peter Drucker has given different opinion. He emphasized that organizations should not only give importance to efficiency but should strive for effectiveness. His viewpoint can be summarized in his words that 'efficiency s doing things right, effectiveness is doing the right thing.'

In order to enhance the efficiency of an organization the following points need to be kept in mind. Adherence to these points will result in lower costs, optimal talent allocation and greater agility and sustainability.

- Optimize resources, spans and layers.
- Position and size support functions appropriately

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- Assemble the optimal units of performance, i.e., by geography, capability, customer segment to ensure maximum effectiveness
- Adapt the operational governance approaches and build collaboration within the organization
- Use performance improvement initiatives such as Lean and Six Sigma

Factors affecting organizational effectiveness

Likert has classified the factors affecting organizational effectiveness into following three variables:

- **Causal variables:** Causal variables are those independent variables that determine the course of developments within an organization and the objectives achieved by an organization. These causal variables include only those independent variables, which can be altered by organization and its management. Causal variables include organization and management's policies, decisions, business and leadership strategies, skills and behaviour.
- **Intervening variables:** Intervening variables according to Likert are those variables that reflect the internal state and health of an organization. For example, the loyalties, attitudes, motivations, performance goals and perceptions of all the members along with their collective capacity for effective interaction, communication and decision-making.
- **End-Result variables:** End-Result variables are the dependent variables that reflect achievements of an organization such as its productivity, costs, loss and earnings.

Inter-Relationship of variables

The three variables such as causal, intervening and end-result are interrelated. The inter-relationship may be visualized as psychological process where stimuli or causal variables acting upon the organism or intervening variables and creating certain responses or end-result variables. The causal, intervening and end-result variables comprise a complex network with many interdependent relationships. The causal variables are the key to organizational effectiveness. Hence, to make organization effective, attempt should be made to improve the causal variables, while other variables will be corrected or improved automatically because of causal variables.

The extent to which individual and organizational goals are integrated, affects the degree of organizational effectiveness, i.e., each individual tries to satisfy his goal by working in an organization and simultaneously satisfying organizational goals. He may see his goal satisfaction in satisfying organizational goals. If there is no perfect integration of individual and organizational goals then organizational effectiveness is affected adversely. However, organizational effectiveness is not a result of integration between individual and organizational goals only but there are other causal variables affecting it.

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6.2.2 Efficiency and Effectiveness: Meaning and Approaches

The terms efficiency and effectiveness are considered to be synonymous with each other as they both speak of competency, productivity and proficiency in managing an organization. However, in a more formal environment, the terms efficiency and effectiveness take on very different meanings. For instance, in the context of process reengineering, Lon Roberts defines efficiency as 'to the degree of economy with which the process consumes resources-especially time and money,' while he distinguishes effectiveness as 'how well the process actually accomplishes its intended purpose, here again from the customer's point of view.'

Though efficiency and effectiveness are common marketing terms, their meaning usually gets mixed up and sometimes is used interchangeably. In order to explain the difference between the two, it is important to define both the words. According to Dictionary.com 'Effective' is an adjective and it has been defined as 'adequate to accomplish a purpose, producing the intended or expected result.' Similarly, 'efficient' is also an adjective which means 'performing or functioning in the best possible manner with the least waste of time and effort.' Therefore, the difference between efficiency and effectiveness can be understood through the following statement: *'Being effective is about doing the right things, while being efficient is about doing the things in the right manner.'* Along with excellence, efficiency and effectiveness are important pillars of an organization which help improve speed, on-time delivery and numerous other process baselines.

Efficiency is mainly concerned with the present scenario of the organization. Adding or eliminating resources by thinking about the future may disrupt the present state of efficiency. However, effectiveness on the other hand believes in fulfilling the end goal and therefore considers all the variables that may or may not change in future. Another factor which is to be kept in mind while discussing the subject of efficiency is discipline. In order to be efficient all the time, discipline and rigour are required. This also leads to inflexibility in the organization. Effectiveness keeps long-term strategies in mind and therefore is more adaptable to changes. As efficiency is about doing things right, it involves a lot of documentation and the repetition of the same steps-the constant repetition of the same steps end up hampering innovation. Effectiveness on the other hand encourages innovation as it forces people to think and invent new ways to meet the desired goals. The most important distinction between efficiency and effectiveness is their motive. While efficiency tries to avoid mistakes, effectiveness emphasizes on gaining success.

Previously, in mass production, efficiency was known to be the most important performance indicator for any organizational structure. However due to the increasing number of choices for a consumer, effectiveness of an organization was always put to test. Therefore, in order to be a successful organization, there needs to be a perfect balance between efficiency and effectiveness. It is not enough for an organization to be only efficient as the requirements of the stakeholders of

the organization will not be met. Though effectiveness may lead to success but at what cost?

Organizational Excellence

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In order to survive in today's competitive world, it is imperative for an organization to excel in its given field. To excel, an organization needs to make optimum use of its resources in an effective manner. Many years of experiences clubbed with different approaches to excel, one has come to realize that

Good is no longer good enough. To survive in today's competitive environment, you need to excel. To excel, a company needs to focus on all parts of the organization, optimizing the use and effectiveness of all of its resources. After years of working with many types of organizations using various approaches to improve performance, we have come to realize that there are only five elements that need to be managed for an organization to excel. We call these key elements the five pillars of organizational excellence. All five must be managed simultaneously. Top management's job is to keep all of them moving forward at the same time. To concentrate on one or two of them and let the others slide is a sure-fire formula for failure.

Organizational excellence is designed for permanent change by focusing on managing the five key pillars. Each of these five organizational pillars is not new by itself. The key to organizational excellence is combining and managing them together. The five pillars are:

- Pillar 1: process management
- Pillar 2: project management
- Pillar 3: change management
- Pillar 4: knowledge management
- Pillar 5: resource management

By effectively managing these five key pillars and leveraging their interdependencies and reactions, an organization can bring about a marvellous transformation within itself. An organization will come out of its cocoon, which had been restricting its potential, and become a butterfly that will float on the winds of success.

Pillar 1: Process management

The process management concept certainly isn't new to management professionals; it's the basis of most improvement methodologies. To manage a process, the following must be defined and agreed upon:

- An output requirement statement between process owners and customers
- An input requirement statement between process owners and suppliers

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- A process that is capable of transforming the suppliers' input into output that meets the customers' performance and quality requirements
- Feedback measurement systems between process and customers, and between process and suppliers
- A measurement system within the process

Pillar 2: Project management

Consider this:

- Only 26 percent of all projects are successful.
- 40 percent of all information technology (IT) projects fail or are cancelled.

Processes define how organizations function, and projects are the means by which organizations improve those processes.

Projects in most organizations are mission-critical activities, and delivering quality products on time is non-negotiable. For IT projects, benchmark organizations are completing 90 percent of their projects within 10 percent of budget and schedule. Information system organizations that establish standards for project management, including a project office, cut their major project cost overruns, delays and cancellations by 50 percent.

Process redesign and process reengineering are two of the most important projects that organizations undertake. These types of projects have a failure rate estimated to run as high as 60 percent. There are two main causes for these high-cost failures: poor project management and poor change management. IBM launched eleven reengineering projects, starting from the way that it manages internal information systems and continuing to the way that it develops products and serves customers.

Pillar 3: Change management

We all like to think of ourselves as change masters, but in truth, we are change bigots. Everyone in the management team is all for change. They want to see others change, but when it comes to the managers themselves changing, they are reluctant to move away from past habits that have proven to be successful. If the organization is going to change, top management has to be the first to do so.

Change is inevitable, and we must embrace it if we are going to be successful in our challenging world. The change management system is made up of three distinct elements:

- Defining what will be changed
- Defining how to change
- Making change happen

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Pillar 4: Knowledge management

Good is no longer good enough. To survive in today's competitive environment, you need to excel. To excel, a company needs to focus on all parts of the organization, optimizing the use and effectiveness of all of its resources. After years of working with many types of organizations using various approaches to improve performance, we have come to realize that there are only five elements that need to be managed for an organization to excel. We call these key elements the five pillars of organizational excellence. All five must be managed simultaneously. Top management's job is to keep all of them moving forward at the same time. To concentrate on one or two of them and let the others slide is a sure-fire formula for failure.

Today more than ever, knowledge is the key to organizational success. To fulfil this need, the Internet and other information technologies have provided all of us with more information than we can ever consume. Instead of having one or two sources of information, the Internet provides us with hundreds if not thousands of inputs, all of which need to be researched to be sure that you have not missed a key nugget of information. We are overwhelmed with so much information that we don't have time to absorb it all.

To make matters worse, most of the organization's knowledge is still not documented; it rests in the minds and experiences of the people doing the job. This knowledge disappears from the organization's knowledge base whenever an individual leaves an assignment.

Given the almost endless amount of information that clogs up our computers, desks and minds, a knowledge management system (KMS) needs to be designed around the organization's key capabilities and competencies.

There are two types of knowledge: explicit and tacit. Explicit knowledge is defined as knowledge that is stored as semi-structured content such as documents, e-mail, voicemail or video media. It is also referenced to as hard or tangible knowledge. It is conveyed from one person to another in a systematic way.

Tacit knowledge is defined as knowledge that is formed around intangible factors embedded in an individual's experience. It is personal, content-specific knowledge that resides in an individual. It is knowledge that an individual gains from experience or skills that he or she develops. It guides the individual's actions and is also called soft knowledge. It is embedded in the individual's ideas, insights, values and judgment. It is only accessible through direct corroboration and communication with the individual that has the knowledge.

Pillar 5: Resource management

Nothing can be accomplished without resources. Resources are at the heart of everything that we do. Too little and we fail, too much and there is waste—making our organization non-competitive. Too many organizations limit their thinking about

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resources to people and money. These two are important, but they're only a small part of the resources that an organization needs to manage.

When we talk about resource management, we're talking about it in its broadest sense. It is all the resources and assets that are available to the organization. This includes stockholders, management, employees, money, suppliers, inventory, boards of directors, alliance partnerships, real estate, knowledge, customers, patents, investors, good will, and brick and mortar. It is easy to see that when you consider all of the resources that are available to the organization, effective resource management is one of the organization's most critical and complex activities.

To become an excellent organization, each of these resources needs to be managed in its own special way. The big question is, 'How do you pull all these different activities and improvement approaches together and prioritize them'? To solve this question, you must have a very thorough, total-involvement approach to strategic planning—one that involves everyone, from the chairman of the board to the janitor, from sales to personnel, from development engineering to maintenance. This is a total-involvement approach to strategic planning; it is both bottom up and top down. A total strategic planning process (i.e., a business plan) includes directions, expectations and actions.

Resource management can't be an afterthought; all executive decisions must be based upon it. It requires a lot of planning, coordination, reporting and continuous refining to do an excellent job at resource management. Too many organizations manage operations by throwing more resources into the pot. They may be very successful with this approach as long as they have very little competition, but even the giants fall if they don't do an outstanding job of resource management.

When we look at the five pillars that must be managed to achieve excellence, we see common threads that run across all of them in the form of the following:

- Communication
- Teamwork
- Empowerment
- Respect
- Honesty
- Leadership
- Quality
- Fairness
- Technology

All of the key factors are built into the word 'management'. This term represents everything that turns an employee into an individual who owns his or her job, thereby bringing satisfaction and dignity to the individual for a job well done.

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In today's worldwide marketplace, customers don't have to settle for second best. Overnight mail brings the best to everyone's doorstep. The Internet lets your customers shop internationally so it' s easy for them to get the best quality, reliability and price, no matter who is offering it. Customers are concerned about the products that they purchase, but they are equally or more concerned about dealing with organizations that care, are quick to respond, and will listen and react to their unique needs. To succeed in the 21st century, organizations need to excel in all parts of their business. You must have an organization that excels at what it is doing but also is recognized by the stakeholders for its excellence to win today's savvy customers.

In order to excel, an organization needs to focus on the entire organization making optimum use and effectiveness of the available resources. After many years of experimenting, organizations have come up with different approaches to excel. These approaches are referred as the key elements of organizational excellence and they have to be managed simultaneously as they are inter-related to one another. Organizational excellence strives to work on all key elements by combining and managing them together.

Check Your Progress

1. Name the most widely used criterion of organizational effectiveness.
2. State the two different types of knowledge.
3. Mention the common elements in the five pillars of organizational excellence.

6.3 ORGANIZATIONAL CULTURE: MEANING AND SIGNIFICANCE

While culture has been a continuous development of values and attitudes over many generations, at least the organizational culture can be partially traced back to the values held by the founders of the organization. Such founders are usually dynamic personalities with strong values and a clear vision as to where they want to take their organizations. These founders usually selected their associates and their employees who had a similar value system so that these values became an integral part of the organization.

Secondly, the organizational culture is influenced by the external environment and the interaction between the organization and the external environment. For example, one organization may create a niche for itself for extremely high quality defect-free product as a result of competitive forces and customer demand, while another organization may opt for moderate quality but lower prices. The work cultures at these two types of organizations would accordingly differ and would be influenced by external forces such as customer demand.

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Thirdly, work culture is also a function of the nature of the work and mission and the goals of the organization. For example, in a professional, research oriented small organization, the workers may be more informal at all hierarchical levels of the organization, the dress code may not be strictly observed and the employees may be encouraged to be independent and innovative. In contrast, other organizations may have a strictly enforced formal classical hierarchical structure with clearly established channels of communications and strict adherence to work rules. Accordingly, the organizational culture of these two types of organizations would be different.

Much has been written and talked about Japanese management styles. Almost invariably, the economic success of Japanese society is associated with Japanese culture. The cultural aspect of organizational performance came into focus with Theory Z, proposed by William Ouchi in 1981. Even though Theory Z draws heavily on Japanese approach to management, it is more a combination of the current American as well as Japanese style of managing an organization. Basically, Ouchi's approach to management calls for:

- Consensus decision-making
- Worker participation in all phases of organizational operations
- Genuine concern for the overall well-being of employees
- Life time job security

The importance of strong culture as a driving force for organizational success was emphasised by Peters and Waterman in their well received book, *In Search of Excellence*. They observed:

> Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and the more it was directed towards the marketplace, the less need was there for policy manuals, organization charts and detailed procedures and rules. In these companies, people, way down the line know what they are supposed to do in most situations because the handful of guiding values is crystal clear.

Some of the cultural differences in a typical American organization as compared to a typical Japanese organization can be seen in the following comparison in various areas and aspects of organizational operations and performance.

6.3.1 Organizational Climate

The process of quantifying culture in an organization is called organizational climate. This is also referred as corporate culture. According to this process, an employee's behaviour is influenced by a set of guidelines laid down by the organization. There are different approaches to define organizational climate, which are based on how

to define climate and how to measure it effectively on different stages. These two approaches are as follows:

- Cognitive Schema
- Shared perception

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The cognitive schema approach regards climate as an individual perception and as the work of environment. Therefore, according to this perspective climate assessments should be covered individually. The shared perception approach on the other hand gives importance to other perceptions vis-à-vis climate and has also been defined as the shared perception of the way things are around here. It is to be noted that there are major overlaps in both the approaches.

- **Cognitive schema approach:** Schemas are known to be mental structures that perceive the world. They are said to be organized in memory of associative network in which schemes of similar nature are clubbed together. Thus, when a particular schema is activated, the relating schemes will get activated too. Relative schemes become more accessible in the associative network. If the schema is more accessible it can be used directly and quickly to a particular situation. When related schemas are activated they tend to influence social behaviour. However, it is also important to know that a person may or may not be aware when a schema is activated.

  Accessibility of schema is increased by the process of salience and priming. Salience can be defined as the degree to which one social object stands out in respect to other social objects in a given situation. This means that the higher the salience of a social object, more accessibility will be there for the related schemas whereas priming refers to experiences prior to a situation that make a schema more accessible.
- **Shared perception approach:** This approach discusses the variables which influence an organization's ability to mobilize their employees in order to get their business targets met and also to maximize employee performance. Under this model, the staff of an organization is surveyed to identify and measure aspects of a workplace which affect the quality of work life.

6.3.2 Creation and Maintenance of Culture

The traditions and way of life of the employees create culture in an organisation. The organisational culture is known by its employees' behaviour and attitudes. The early traditions are the basis of culture in an organisation. The vision and functions of an organisation are the creators of culture. Accumulated traditions and methods of functions are culture. The ideology and customs of organisational functions are organisational culture. An organisation develops progressive ideas and technological development for forming a good culture in an organisation. The

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mission and vision of the founder members of an organisation are the basis for creating the organisational culture. Hard work, competitive spirit and a disciplined way of life of the founders have created a disciplined organisational culture for improving the performance. The vision of RatanJi Tata and Ghanshyam Das Birla has created the Tata culture and Birla culture respectively in the Tata Group and the Birla Group. They are known by their organisational culture.

Sustaining culture

Sustaining and maintaining culture is essential for the organisation to make it a permanent source of energy. The experience gained by predecessors must be continued by the subsequent successors. An improvement for the better must be introduced into the existing culture. Reinforcement of learning, performance evaluation criteria, reward system, promotion procedures, etc. should be continued as it existed in the vision of the founders. Maintaining the culture does not mean that the organisations should adhere to a cultural paradox. The changing environment is absorbed in the dynamic culture of an organisation. The top management, selection, training-- and development programme and socialisation are the important methods of sustaining culture.

- **Top management:** The attitudes of the top management should continue to guide the organisational functions. The culture is maintained by adhering to old values and developmental attitudes. They have certain norms and values which flow in the minds of sub-ordinates. The culture sponsored by the top management continues in the employees of an organisation. The latter follows the former. The top management decides and subordinates work. The dress recommended, the job designs suggested and other factors are taken into account for keeping culture alive. Tata Groups perpetuate a risk-taking, bold and innovative culture. HMT is dedicated to a culture of quality and innovative vision as the top management are practicing it themselves.
- **Selection:** Culture is maintained by a proper selection policy. People who are qualified and experienced must be appointed ignoring those persons who want an entry on a pull-push basis. If needed persons are appointed, the organisation can maintain work culture. On the contrary, if people are appointed based on political support, they are bound to destroy the existing work culture. The vision, mission and policy of a sound organisation must not be bypassed while selecting the people for work performance. In India, the public sector could not maintain the real character of the public sector because of a defective selection policy. But, those public enterprises which have been given autonomy and have no interference from politicians have worked satisfactorily. Indian Oil, Oil and Natural Gas Commission, Life Insurance Corporation of India and Steel Authority of India have been successful in maintaining some of the policies of a sound public sector. People who do not have the core values of an organisation must not be appointed because they will destroy the very structural value of the organisation.

- **Training and development programme:** After selection and placement, an organisation should adopt a training and development programme based on the values of the organisation. Employees learn the values of the organisation. Training and development programmes are channelized for enhancing the culture of an organisation. Video films, practicing lectures and problem solutions are the important components of a value sustaining process. The instructor should identify the problems of learners so that they can be directed towards the cultural values of the organisation. The traits and qualities of the employees are used for instrumenting the employees on the values of the organisation.
- **Socialisation:** The employees are indoctrinated in the organisation's culture through the adaptation process which is called socialisation. New employees are put in the culture of an organisation through on the job and sensitive training. An intensive training programme is instituted to make the new employees accustomed with the values of the organisation which includes performing all the activities from the early morning to sleeping time. The whole day is systematically scheduled to make the employees learn all the cultures of an organisation. The organisational culture is maintained not only in the form of work functions, but also in dining, dressing and developmental activities. New graduates can easily learn all the cultural values of an organisation through the intensive training programme.

  Employees prove their commitment with the cultural values of the organisation after getting the intensive training programme. The newly appointed employees remain in good standing. They learn the pivotal role or basic values of an organisation. People who fail to learn the basic values of an organisation after training are termed as 'non-conformists'. They become rebels if they have values contrary to the organisational values. These employees are further brought to a steep socialisation process, i.e. pre-arrival stage, encounter stage and metamorphosis stage.
- **Pre-arrival stage:** The values, attitudes and personalities of newly appointed employees are assessed for driving them towards the organisational culture. Their weaknesses are revealed to paste them with the organisational values. Modification and smoothening of their existing values are made by the management towards the culture of an organisation. Employees might have knowledge of socialisation of the business functions. It is revealed how their socialisation has not moved towards the organisational values. The diagnosis reveals the possibilities of a complete socialisation of the organisational culture. Their firmness, rigidity, unfaithfulness and other anti-attitudes are smoothened to make their uses in different functions of required values. Psychologists and behaviourists are invited to smoothen their individual values towards the organisational values.
- **Encounter stage:** The employees, after entering into business functions, find the activities against their attitude and expectations. The expectations

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of the employees may or may not be equal to the reality of the business policy, procedures and fellow workers' attitudes. If expectations are not very far from the reality in the organisation, they reinforce the values of the organisation. A smoothening process is used in this case. When expectations are far from the reality, the employees are required to replace their existing style with the organisational policy. The employees should try to adopt themselves to the values of the organisational culture. If they fail to adopt, they are put in adverse conditions. They should not be permitted to destroy the existing culture of the organisation. They are forced to resign if the do not perform according to the norms and values of the organisation after their intensive training programme.

- **Metamorphosis stage:** Employees are required to change their values which are contrary to those of the organisation. The socialisation process is reintroduced for emphasising divestiture, stripping away and replacing their own values. Perception, learning and personality development programmes are used to change the values of the employees to bring them on par with those of the organisation. The group values and norms are made sacred objectives which should be achieved by individuals. Role models are used to train and encourage the employees. Monitoring and self-exercise programmes are held to make people organisation-minded. A serial socialisation is needed for changing the employees' values for organisational values.

6.3.3 Change and Organizational Culture

Although international business, to some degree, has existed for centuries, the second half of the last century was most influential in bringing the world closer to itself. The world, since 1950s has entered an era of unprecedented global economic activity, including worldwide production, distribution and global strategic alliances. More recently, in the last decade of the last century, India and China have opened up for entry of multinational companies. Some other closed markets under communism and social economies, such as one time Soviet Union and Eastern Europe have joined the international economic arena. Some multinational companies such as IBM, GE, BP and Siemens do business in more than 50 countries. According to Mitroft, 'For all practical purposes all business today is global. Firms, industries and whole societies that clearly understand the new rules of doing business in a world economy will prosper; those that do not will perish'.

Culture defines behaviour of people and organizations and international managers are increasingly recognizing the influence of national culture on organizational functioning. They are being trained in acquiring the skills of cross-cultural management and they study the behaviour of people in organizational settings around the world. They seek to understand and improve the interaction with co-workers, clients, suppliers and alliance partners from different countries and cultures. Often multilingual, the global manager thinks with a world view and develops his

strategy on the basis of diverse beliefs, behavior and practices of people of different countries. He adopts well to different business environments and solves problems quickly relative to the environment he is in. He understands and respects different government and political systems and he communicates in the cultural context of a given class of people. Experienced international managers understand the need for 'global mindset' of cultural adaptability, flexibility, patience and respect.

6.3.4 Impact of Organizational Culture

Culture to an organization is an intangible force, with far reaching consequences. It plays several important roles in organizations. Different functions performed by culture are discussed below:

- **Culture gives a sense of identity to its members:** An organization's culture provides a sense of identity to its members. The more clearly an organization's shared perception and values are defined, the more strongly people can associate themselves with their organization's mission and feel a vital part of it.
- **Culture helps to generate commitment among employees:** The second important function of culture is generating commitment to the organization's mission. Sometimes it is difficult for people to go beyond thinking of their own interest: How will this affect me? However, when there is a strong, overarching culture, people feel that they are part of that larger, well-defined whole and involved in the entire organization's work. Not just focussed on any one individual's interest, culture reminds people of what their organization is all about.
- **Culture serves to clarify and reinforce standards of behaviour:** A third important function of culture is that it serves to clarify and reinforce standards of behaviour. While it is essential for newcomers, it is also beneficial for veterans. In essence, culture guides employees' words and deeds, making it clear what they should do or say in a given situation. In this sense, it provides stability to behaviour, both with respect to what an individual might do at different times and what different individuals may do at the same time. For example, in a company with a culture that strongly supports customer satisfaction, employees will have clear guidance as to how they are expected to behave; doing whatever it takes to please the customer. By serving these important roles, it is clear that culture is an important force influencing behaviour in organizations.

6.3.5 Theories

No single framework for describing the values in organizational culture has emerged; however, several frameworks have been suggested. Although these frameworks were developed in the 1980s, their ideas about organizational culture are influential even today. Some of the 'excellent' companies that they described are less excellent

now, but the concepts are still used in companies all over the world. Managers should evaluate the various parts of the frameworks described and use the parts that fit the strategic and cultural values for their own organization.

1. The Ouchi Framework

One of the first researchers to focus explicitly on analysing the culture of a limited group of firms was William G. Ouchi (1981). Ouchi analysed the organizational culture of three groups of firms, which he characterized as (1) typical US firms, (2) typical Japanese firms, and (3) type Z US firms. Based on his analysis, Ouchi developed a list of seven points on which these three types of firms can be compared. He argued that the cultures of typical Japanese firms and US type Z firms are very different from those of typical US firms and that these differences explain the success of many Japanese firms and US type Z firms and the difficulties faced by typical US firms. The seven points of comparison developed by Ouchi are as follows:

- **Commitment to employees:** According to Ouchi, typical Japanese and Type Z US firms share the cultural value of trying to retain employees. Thus, both types of firms layoff employees only as a last resort. In Japan, the value of "keeping employees on" often takes the form of lifetime employment. This cultural value is manifested in a commitment of what Ouchi called 'long-term employment'. Ouchi suggested that typical US firms do not have the same cultural commitment to employees as Japanese firms and US type Z firms do. In reality, American workers and managers often spend their entire careers in a relatively small number of companies. Still there is a cultural expectation that if there is a serious downtown in a firm's fortune, change of ownership, or a merger, workers and managers will be let go.
- **Evaluation:** Ouchi observed that in Japanese and type Z US companies, appropriate evaluation of workers and managers is thought to take a very long time—up to 10 years—and requires the use of qualitative as well as quantitative information about performance. For this reason, promotion in their firms is relatively slow, and promotion decisions are made only after interviews with many people who have had contacts with the person being evaluated.
- **Careers:** Ouchi next observed that the careers most valued in Japanese and Type Z US firms span multiple functions. In Japan, this value had led to very broad career paths, which may result in employees gaining experience in six or seven distinct business functions. The career paths in type Z US firms are somewhat narrower. However, the career path valued in typical US firms is considerably narrower. Ouchi's research indicated that most US managers perform only one or two different functions in their careers. This narrow career path reflects the value of specialization that is part of so many US firms.

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- **Control:** All organizations must exert some level of control to achieve coordinated action. Thus, it is not surprising that firms in the US and Japan have developed cultural values related to organizational control on how to manage it. Most Japanese and type Z US firms assume that control is exercised through implicit, informal mechanisms. One of the most powerful of these mechanisms is the organizational culture. In contrast, typical US firms expect guidance to come through explicit directions in the form of job descriptions, delineation of authority, and various rules and procedures, rather than informal and implicit cultural values.
- **Decision-making:** Japanese and type Z US firms have a strong cultural expectation that decision making occurs in groups and is based on the principles of full information sharing and consensus. In most typical US firms, individual decision making is considered appropriate.
- **Responsibility:** Here, the parallels between Japanese firms and type Z US firms break down. Ouchi showed that in Japan strong cultural norms support collective responsibility, that is, the group as a whole, rather than a single person, is held responsible for decisions made by the group. However, in type Z US firms and typical US firms, individuals are expected to take responsibility for decisions.
- **Concern for people:** In Japanese firms and type Z firms, the cultural value that dominates is a holistic concern for workers and managers. Holistic concern extends beyond concern for a person simply as a worker or a manager to concern about that person's home life, hobbies, personal beliefs, hopes, fears, and aspirations. In typical US firms, the concern for people is a narrow one that focuses on the workplace. A culture that emphasizes a strong concern for people, rather than the one that describes a work task orientation can decrease worker turnover (Powell and Mainiero 1993).

Ouchi argued that the cultures of Japanese and type Z firms help them outperform typical US firms. Toyota imported the management style and culture that succeeded in Japan into its manufacturing facilities in North America. Toyota's success has often been attributed to the ability of Japanese and type Z firms to systematically invest in their employees and operations over long periods, resulting in steady and significant improvement in long-term performance.

2. The Peters and Waterman Approach

Tom Peters and Robert Waterman (1982) in their best seller "*In search of Excellence*" focused even more explicitly than Ouchi on the relationship between organizational culture and performance. Peters and Waterman chose a sample of highly successful US firms and sought to describe the management practices that led to their success. Their analysis rapidly turned to the cultural values that led to

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successful management practices. Some of the excellent values practiced in the sample firms are as follows:

- **Bias for action:** According to Peters and Waterman, successful firms have a bias for action. Managers in these firms are expected to make decisions even if all the facts are not in. They argued that for many important decisions, all the facts will never be in. Delaying decision making in these situations is the same as never making decisions. Meanwhile, other firms probably will have captured whatever business initiatives that existed. On average, according to these authors, organizations with cultural values that include a bias for action outperform firms without such values.
- **Stay close to the customer:** Peters and Waterman believe that firms which value customers over anything else outperform firms without this value. The customer is a source of information about current products, a source of ideas about future products, and responsible for the firm's current and future financial performance. Focusing on the customer, meeting the customer's needs, and pampering the customer when necessary lead to superior performance.
- **Autonomy and entrepreneurship:** Peters and Waterman maintained that successful firms fight the lack of innovation and the bureaucracy usually associated with large size. They do this by breaking the company into smaller, more manageable pieces and then encouraging independent, innovative activities within smaller business segments. Stories often exist in these organizations about the junior engineer, who takes a risk and influences major product decisions, or of the junior manager, who implements a new and highly successful marketing plan because he is dissatisfied with the current plan.
- **Productivity through people:** Peters and Waterman believe that successful firms recognize that their most important assets are their people—both workers and managers—and that the organization's purpose is to let its people flourish. It is a basic value of the organizational culture—a belief that treating people with respect and dignity is not only appropriate but also essential to success.
- **Hands-on management:** They also noted that the firms they studied insisted that senior managers stay in touch with the firm's essential business. It is an expectation, reflecting deeply embedded cultural norms that managers should not manage from behind the closed door of their offices but by 'wandering around' the plant, the design facility, the research and development department, and so on.
- **Stick to the knitting:** Another cultural value characteristic of excellent firms is their reluctance to engage in business outside their areas of expertise. These firms reject the concept of diversification, the practice of buying and

operating businesses in unrelated industries. This notion is currently referred to as relying on the 'core competencies', or what the company does best.

- **Simple form, lean staff:** According to Peters and Waterman, successful firms tend to have few administrative layers and relatively small corporate staff group. In companies that are managed excellently, importance is measured not only by the number of people who report to the manager but also by the manager's impact on the organization's performance. The cultural values in these firms tell managers that the performance of the staff is more important than their number.
- **Simultaneously loose and tight organization:** The final attribute of organizational culture identified by Peter and Watermen appears contradictory. The firms are tightly organized because all their members understand and believe in the firm's values. This common cultural bond is the strong glue that holds the firms together. At the same time, however, the firms are loosely organized because they tend to have less administrative overheads, fewer staff members, and fewer rules and regulations. The result is increased innovation and risk taking and faster response time.

3. The Udai Pareek Approach

According to Pareek (2002), there are eight values that govern the culture of an organization. These eight values together are responsible for making the culture of an organization strong or weak. These are as follows:

- **Openness:** As the term implies openness refers to free sharing of thoughts, ideas, and feelings with each other in an organization. The open environment of the organization results in a culture where employees have no reservation or negative hidden feelings against each other. In situations of disagreements they are able to come out openly and share their concerns with each other. Openness also deals with doing away with the physical boundaries and erected walls in the organizations. Openness has to be practiced both in terms of giving as well as receiving information at all levels in the organization.
- **Confrontation:** With openness comes the ability to face the situation as it comes to us rather than move away from it. In cases where there is willingness to face the problem and solve it, many interpersonal differences are resolved and individuals come forward with their ideas and solutions.
- **Trust:** The surety with which people can share their confidential information with each other without the fear of it being known all over the organization reflects the level of trust in the organization. In organizations where trust is high among employees, there is better problem solving and less stress.
- **Authenticity:** This refers to the equivalence that members of an organization have between their words and deeds. If people do what they say and feel, it leads to high level of openness and trust in organizations.

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- **Proactivity:** Proactive organizations are ready to face any eventuality and are prepared for adversaries too. Proactive individuals are more calm and relaxed in their behaviour towards others. With proactivity, there is a possibility of thinking and planning ahead and being prepared to encounter situations or individuals.
- **Autonomy:** It involves giving enough space to other individuals in the organization as you would seek for yourself. A person with knowledge and competence should be given freedom to take the decisions for the department or the organization. This promotes a sense of achievement and self-confidence among employees thereby leading to mutual respect.
- **Collaboration:** Organizations consist of individuals who are expected to work together in a group and this sense of togetherness can only be generated by the top management in organizations. People should be forced to learn to work together to develop a sense of team spirit. It will result in openness, trust among members, sharing, and a sense of belongingness and commitment to the organization.
- **Experimentation:** In this age of scarce resources, and fast change, any organization which is not willing to try out new and better ways of working is likely to perish fast. Individuals as well as organizations can sustain themselves only if they are able to experiment with the available resources and identify and develop better approaches to deal with the problems. There has to be out of the box thinking in which nothing that is obsolete is likely to be accepted.

6.3.6 Issues in Organizational Culture

The following are some of the issues in organizational culture:

- Maintaining the organizational culture. This involves employee engagement at all times
- Reinforcing organizational culture through different actions so that the employees do not forget that the ideas of the organizational are not for a one time show or biased towards one group etc.
- Many times the employees might get the feeling that the organizational culture is to be maintained overall and that they are not important part of it. So, it is crucial that the managers ensure that every employee understands that he/she is important in the process.
- Employees rely on their instincts which might or might not be based on evidence or are actually opposing to the organization. It is important that the organizational culture is clearly understood and maintained.
- The organization culture might become outdated or regressive if they are not adaptive to the change in the environment.

- The different departments in the organization might become a hindrance to organizational culture if the employees create invisible walls between themselves.

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6.4 ORGANIZATIONAL CLIMATE: IMPLICATIONS ON ORGANIZATIONAL BEHAVIOUR

Every organization has some characteristics which are common with any other organization. At the same time, each organization has its unique set of characteristics and properties. This psychological structure of organization and their sub-units is usually referred to as organizational culture.

For a layman, culture is a commonly experienced phenomenon and many words like climate, atmosphere, environment and milieu are often used interchangeably to describe it. In fact, most of the studies which have tried to measure an organization's 'Culture' have operationalized it in terms of 'Organization Climate'. A couple of formal definitions of organization climate are given below for your perusal:

Organizational climate is a relatively enduring quality of the internal environment that is experienced by the members, influences their behaviour, and can be described in terms of values of a particular set of characteristics of the organization (Renato Tagiuri, 1968).

Organizational climate is the set of characteristics that describe an organization and that (a) distinguish one organization from other organizations; (b) are relatively enduring over time and (c) influence the behaviour of the people in the organization (Forehand & Gilmer, 1964).

Compare these two definitions of 'Organizational Climate' with a definition of 'Organizational Culture' as given by Stephen P. Robbins (1986): Organizational Culture is a relatively uniform perception held of the organization, it has common characteristics, it is descriptive, it can distinguish one organization from another and it integrates individual, group and organization system variables.

6.4.1 Perceived Characteristics of Climate

If you examine closely these sample definitions, you will not only be able to identify the commonalities but also be able to see that the abstract concept of culture and operational concept of climate basically refer to the perceived personality of an organization in very much the same sense as individuals have personality. Just as you have a personality -a set of relatively stable traits-so does an organization. Just as any culture has some do's and don'ts in the form of totems and taboos which dictate how each member should behave with a fellow member or an outsider, similarly each organization has a culture that influences the behaviour of employees towards clients, competitors, colleagues, supervisors, subordinates and strangers.

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It should be noted that Organizational Culture or Organizational Climate (OC) is the perceived aspects of an organization's internal environment, but within the same organization there may be very different OCs. This might happen because people with different length of experience or at different levels of organization's hierarchy, may perceive internal environment of an organization differently. Personal characteristics such as Values, Needs, Attitudes and Expectations determine the manner in which an individual is likely to perceive the various aspects of the internal working environment of the organization.

6.4.2 Dimensions of Organizational Climate

You have seen that OC refers to a set of some commonly experienced stable characteristics of an organization which constitutes the uniqueness of that organization and differentiates it from others. You might have faced some difficulty in identifying this set of characteristics because you do not yet know the various dimensions or factors of OC in which you should look for these characteristics. In the last two decades, extensive studies have been conducted which have helped us to identify some key factors of OC. Some of these common dimensions are described below:

- **Individual autonomy:** This refers to the individual's freedom to exercise his or her responsibility. In other words, individual autonomy is the degree to which employees are free to manage themselves; to have considerable decision making power; and not to be continually accountable to higher management.
- **Position structure:** This refers to the extent of direct supervision, formalisation and centralisation in an organization. In other words, position structure is the degree to which objectives of the job and methods for accomplishing it are established and communicated to the individual by supervisors.
- **Reward orientation:** This refers to the degree to which an organization rewards individuals for hard work or achievement. An organization which orients people to perform better and rewards them for doing so, will have an OC characterised by high ward orientation.
- **Consideration, warmth and support:** This refers to the extent of stimulation and support received by an individual from other organization members. In other words, if there is a sense of team spirit among the members of an organization, the OC is likely to be perceived as considerate, warm and supportive.
- **Conflict:** This refers to the extent of conflict present between individuals and the willingness to be honest and open about interpersonal differences.
- **Progressiveness and development:** This aspect refers to the degree to which organization conditions foster the development of the employees, allow scope for growth and application of new ideas and methods.

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- **Risk taking:** The degree to which an individual feels free to try out new ideas and otherwise take risks without fears of reprisal, ridicule or other form of punishment, indicate the risk-taking dimension of OC. This dimension is akin to 'cautious' versus 'venturesome' quality of an organization.
- **Control:** This dimension refers to the degree to which control over the behaviour of organizational members is formalised. In a highly bureaucratic organization, control systems are well defined. In a low-control organization, most of the controls are self-regulated, i.e., individuals monitor their own behaviour. You can think of this dimension as 'tightness' versus 'looseness' of an organization.

These eight dimensions account for most of the research findings, but they do not account for all that we intuitively feel to be present in the 'Climate' or 'Culture' of an organization. For example, you may perceive an organization culture to be 'paternalistic', or a climate to be 'impersonal'. Though the fourth OC dimension (consideration, warmth and support) may cover both these different qualities, yet the 'richness' that you find in the two qualities is not fully reflected in that dimension. However, the identification of these eight dimensions (which are not absolutely independent of each other) do help us in mapping and measuring OC.

6.4.3 Determinants of Organizational Climate

At the very onset of this topic, it is useful to distinguish between determinants and dimensions of OC. Determinants are the causes, while dimensions are the components of OC. You may say, determinants are those which influence whereas dimensions are those which are influenced.

Although OC refers to the internal environment of an organization, the nature of OC is determined by a variety of internal and external factors. One of the basic premises of organizational behaviour is that outside environmental forces influence events within organizations. After acknowledging the dynamics of internal as well as external factors in this section, we will consider in greater detail the following seven internal factors. You will find these factors as determinants of OC in the following order:

- **Economic condition:** Several dimensions of OC are influenced by an organization's position on the economic cycle. The economic condition of any organization influences whether its budget should be 'tight' or 'loose'. In times of prosperity-when budgets are more loose than tight-the organization tends to be more adventuresome. On the other hand, tight budget would lead to an air of caution and conservatism within an organization. Few managers are willing to suggest new programmes (probably deserving merit) when the order from above is to exercise tight control over expenses. So, dimensions of OC like 'Risk-taking', 'Control', 'Progressiveness and Development' etc. are directly influenced by economic conditions.

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- **Leadership style:** The leadership style prevailing in an organization has a profound influence in determining several dimensions of OC. The influence is so pervasive that you may often wonder whether OC is a product of the philosophy and practices of prominent persons in an organization. Consider, for example, the results of an experimental study where three organizations were 'created' by simulation. All these three Organizations-A, B and C-were identical in terms of nature of business, size of the organization, characteristics of employees, and initial economic condition. The major difference among these three organizations was the 'leadership style'. Organization A was characterised by authoritarian style with high power motivation. Organization B was characterised by democratic style with affiliation motivation. Organization C was characterised by goal directed style with achievement motivation.
- **Organizational policies:** Specific organizational policies can influence a specific dimension of OC to quite an extent. For example, if the company policy states that layoffs will be used only as a last resort to cope with business downturn, then it would, in general, foster an internal environment that is supportive and humanistic. Similarly, if you are working in a company where it is agreed that the first beneficiaries, of increased profit would be the employees of that organization and shareholders would get second priority, then the OC will be characterised by High Reward Orientation and probably by High Progressiveness and Development.
- **Managerial values:** The values held by executives have a strong influence on OC because values lead to actions and shape decisions. Values add to perceptions of the organization as impersonal, paternalistic, formal, informal, hostile or friendly.
- **Organizational structure:** The design or structure of an organization affects the perception of its internal environment. For example, a bureaucratic structure has an OC much different from a System 4 organization. What is a System 4 organization? According to Rensis Likert, all organizations can be classified into four major groups, depending upon the way basic organizational processes are conducted. These major groupings are as follows:
  - o System 1-Exploitative authoritative
  - o System 2-Benevolent authoritative
  - o System 3-Consultative
  - o System 4-Participative

  How does one know whether an organization should be categorised as System 1 or 2 or 3 or 4? It depends on the way following processes are perceived and rated in an organization:
  - o Leadership process

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  - o Motivation process
  - o Communication process
  - o Decision-making process
  - o Goal-setting process
  - o Control process

  Employees of an organization rate these processes on a rating scale; asking questions like the following:

  - o How much confidence is shown in subordinates?
  - o Where is responsibility felt for achieving organization goals?
  - o How well superiors know problems faced by subordinates?
  - o How much covert resistance to goals is present?
  - o At what levels are decisions formally made?
  - o Is there an informal organization resisting the formal one?

  Based on the answers to these questions, an organization can be classified as system 1 or 2 or 3 or 4. A bureaucratic structure is likely to be rated as System 2 or System 3. A System 4 organization will have a distinct OC where the main theme would be strong involvement and self-control of all organization members at all levels in all basic organizational processes

- Characteristics of members: Personal characteristics of the members of an organization also affect the climate prevailing in the organization. For example an organization with well educated, ambitious and younger employees is likely to have a different OC than an organization with less educated, and less upwardly mobile, older employees. The former might inculcate an environment of competitiveness, calculated risk-taking, frankness of opinions, etc.
- Organizational size: In a small sized organization it is much easier to foster a climate for creativity and innovation or to establish a participative kind of management with greater stress on horizontal distribution of responsibilities. On the other hand, in a large organization it is easier to have a more authoritative kind of management with stress on vertical distribution of responsibilities. This in turn leads to distinct environments as has been explained with the help of the concept of System 4 organization.

We have now studied seven basic determinants of OC. The list is not exhaustive but these are the basic internal factors determining the internal environment of an organization.

Note that OC is not influenced by factors existing within the organization only. Societal forces help shape OC as well. To understand societal influences on OC, let us consider an example in relation to the changing profile of existing and future employees. You may have noticed at least two changes which are taking

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place in our society. First, educational level of employees of all categories is rising. Second, societal values toward recreational and leisure activities are becoming stronger. The effect of the first change is in the expectations of employees. People want more satisfying and fulfilling work which should match their qualifications and abilities. The impact of the second change is that the passion for non-work is increasing: people feel less passionate about job performance. So, while one change is pushing towards increased professionalism, the other change is pulling towards leisure-orientation. Against these backdrops of societal forces influencing the profiles of the employees, the content of the job and the organization processes determine the OC. To sum up, OC is determined by a variety of internal and external factors where internal factors are specific to the organization while external factors refer to a number of societal forces.

Check Your Progress

4. Name the two schemes used to define and measure organizational climate.
5. List the eight values that govern the organizational culture as pre the Udai Pareek approach.
6. What is organizational climate according to Forehand and Gilmer?

6.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Goal attainment is the most widely used criterion of organizational effectiveness.
2. The two types of knowledge are explicit and tacit.
3. The common elements in the five pillars of organizational excellence are:
    a. Communication
    b. Teamwork
    c. Empowerment
    d. Respect
    e. Honesty
    f. Leadership
    g. Quality
    h. Fairness
    i. Technology

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4. The two schemes used to define and measure of organizational climate are the following:
   a. Cognitive schema approach
   b. Shared perception approach
5. The eight values that govern the organizational culture as pre the Udai Pareek approach are the following:
   a. Openness
   b. Confrontation
   c. Trust
   d. Authenticity
   e. Proactivity
   f. Autonomy
   g. Collaboration
   h. Experimentation
6. According to Forehand and Gilmer, organizational climate is the set of characteristics that describe an organization and that (a) distinguish one organization from other organizations; (b) are relatively enduring over time and (c) influence the behaviour of the people in the organization.

6.6 SUMMARY

- Organizational effectiveness is defined as an extent to which an organization achieves its predetermined objectives with the given amount of resources and means without placing undue strain on its members.
- Effectiveness is a broad concept and takes into account a collection of factors both inside and outside an organization. It is commonly referred to as the degree to which predetermined goals are achieved.
- Goal attainment is the most widely used criterion of organizational effectiveness. In goal approach, effectiveness refers to maximization of profits by providing an efficient service that leads to high productivity and good employee morale.
- The three variables such as causal, intervening and end-result are interrelated. The inter-relationship may be visualized as psychological process where stimuli or causal variables acting upon the organism or intervening variables and creating certain responses or end-result variables.
- Organizational efficiency can be defined as the capacity of an organization to produce desired results with a minimum expenditure of energy, time and money.

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- The terms efficiency and effectiveness are considered to be synonymous with each other as they both speak of competency, productivity and proficiency in managing an organization.
- Organizational excellence is designed for permanent change by focusing on managing the five key pillars. Each of these five organizational pillars is not new by itself. The key to organizational excellence is combining and managing them together.
- Organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members. It is also known as corporate culture, and has a major impact on the performance of organizations and especially on the quality of work life experienced by the employees at all levels of the organizational hierarchy.
- While culture has been a continuous development of values and attitudes over many generations, at least the organizational culture can be partially traced back to the values held by the founders of the organization.
- The process of quantifying culture in an organization is called organizational climate. This is also referred as corporate culture. According to this process, an employee's behaviour is influenced by a set of guidelines laid down by the organization.
- The traditions and way of life of the employees create culture in an organization. The organizational culture is known by its employees' behavior and attitudes. The early traditions are the basis of culture in an organization.
- Sustaining and maintaining culture is essential for the organization to make it a permanent source of energy. The experience gained by predecessors must be continued by the subsequent successors.
- Although international business, to some degree, has existed for centuries, the second half of the last century was most influential in bringing the world closer to itself.
- Culture to an organization is an intangible force, with far reaching consequences. It plays several important roles in organizations.
- No single framework for describing the values in organizational culture has emerged; however, several frameworks have been suggested. Although these frameworks were developed in the 1980s, their ideas about organizational culture are influential even today.
- According to Ouchi, typical Japanese and Type Z US firms share the cultural value of trying to retain employees.
- Business ethics is the application of ethical values to business behaviours. It applies to the code of conduct of an organization and, therefore, relates to its culture.

- Organizational climate is a relatively enduring quality of the internal environment that is experienced by the members, influences their behaviour, and can be described in terms of values of a particular set of characteristics of the organization

6.7 KEY WORDS

- **Organizational Effectiveness:** It is defined as an extent to which an organization achieves its predetermined objectives with the given amount of resources and means without placing undue strain on its members.
- **Organizational Efficiency:** It can be defined as the capacity of an organization to produce desired results with a minimum expenditure of energy, time and money.
- **Type Z Firms:** The Type Z organization emphasizes communication, collaboration, and consensus in decision-making. This marks a contrast from the traditional Type A organization that emphasizes individual decision-making.

6.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What are the factors affecting organizational effectiveness?
2. Differentiate between organizational excellence and organizational efficiency.
3. What is organizational culture? State its significance.
4. How has the organizational culture responded to the changing global scenario?
5. What are the issues faced in organizational culture?
6. Briefly explain the dimensions of organizational climate.

Long-Answer Questions

1. 'Efficiency is mainly concerned with the present scenario of the organization.' Explain the statement.
2. Discuss the five key pillars of organizational excellence.
3. Evaluate the Ouchi Framework developed by William Ouchi with reference to organizational culture.
4. Explain the different methods of sustaining organizational culture.

5. Discuss the impact of organizational culture.
6. Describe the determinants of organizational climate.

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6.9 FURTHER READINGS

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UNIT 7 COMMUNICATION WITHIN ORGANIZATION

Structure

7.0 Introduction
7.1 Objectives
7.2 Meaning and Process of Communication
 7.2.1 Communication Process Model
 7.2.2 Essential Elements of Communication
 7.2.3 Behavioural Communication
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7.0 INTRODUCTION

In the previous unit, you studied about the meaning, significance and impact of organizational dynamics and culture. This unit will introduce you to interpersonal communication wherein you will study the essential elements of interpersonal communication, communication networks, communication technologies, barriers to communication and strategies to overcome the same. Interpersonal communication is largely the process of exchange of ideas, feelings, emotions and information between two or more individuals through verbal and non-verbal methods of communication. The most important aspect of communication is the fact that the message conveyed by one individual (sender) should be understood by the other individual (receiver).

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7.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the meaning and process of communication
- Describe the models and perspectives of communication in organizations
- Discuss the barriers to communication
- Explain the different types of communication

7.2 MEANING AND PROCESS OF COMMUNICATION

Management depends upon communication to achieve organizational objectives. Since managers work with and through other people, all their acts, policies, rules, orders and procedures must pass through some kind of communication channel. Also there must be a channel of communication for feedback. Accordingly, some of the purposes of communication are:

- To develop information and understanding among all workers and this is necessary for group effort.
- To foster any attitude that is necessary for motivation, cooperation and job satisfaction.
- To discourage the spread of misinformation, ambiguity and rumours that can cause conflict and tension.
- To prepare workers for a change in methods of environment by giving them necessary information in advance.
- To encourage subordinates to supply ideas and suggestions for improving upon the product or work environment and taking these suggestions seriously.
- To improve labour–management relations by keeping the communication channels open and accessible.
- To encourage social relations among workers by encouraging inter-communication. This would satisfy the basic human need for a sense of belonging and friendship.

7.2.1 Communication Process Model

A simple communication model that reflects communication as a dynamic interactive process has been proposed by David Berlov. His approach is based upon the following idea:

> If we accept the concept of process, we view events and relationships as dynamic ongoing, ever changing, continuous. When we label

something as a process, we also mean that it does not have a beginning and end, a fixed sequence of events. It is static, at rest. It is moving. The ingredients within a process interact, each affects all the others.

Before communication can take place, an idea or a purpose in the form of a message or information is needed for the purpose of conveying it to the intended receiver of such a message. The message is converted into a symbolic form and passed along some channel to the receiver who translates the message into a meaning. Thus, the transference of meaning has taken place from one person to another.

7.2.2 Essential Elements of Communication

Let us now study the essential elements of communication:

- **Source:** This is the source of information or the initiator of communication. This source or message sender may want to communicate his ideas, needs, intentions or other pieces of information.
- **Encoding:** Encoding is the process inside the human mind or brain in the form of motor skills, muscle system or sensory skills that encode the ideas to be conveyed into a series of symbols or gestures or some other format of expression.
- **The message:** The message is the physical form of the thought that can be experienced and understood by one or more senses of the receiver. It could be in such forms that require either hearing, reading or other forms of physical gestures.
- **Channel of communication:** It is a vehicle used in the transmission of the message. It is a medium carrier that bridges the gap between the sender and the receiver. It may be a face-to-face conversation, a telephone conversation, in written form or through any other form of physical gestures.
- **Reception of the message:** The message is received by the person for whom it was meant and he becomes the receiver of the message.
- **Decoding process:** Decoding is done in the same manner as encoding by motor skills, muscle system and sensory skills, and the receiver decodes the message for the purpose of interpreting and understanding the meaning of the message. The more the sender's intended message matches the receiver's understanding, the more effective the communication is.
- **Action:** This is the response from the receiver who has received and accepted the communication. This may involve compliance with an instruction and acting upon it, or simply filing of the message for future references.
- **Feedback:** A feedback determines whether the message was clearly understood and the required action taken. The feedback to the sender completes the process of communication.

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7.2.3 Behavioural Communication

The individual differences which arise from the varied expression of feelings, thoughts and needsb come under the ambit of behavioural communication. It can be considered as a type of communication which has its focus on psychological constructs. The medium of such communication are indirect messages and behavioural impacts. This individual behaviour has an influence on the verbal as well as nonverbal communication of the individual. The behavioural communication can be studied through its various types including broad categories like assertive, aggressive, passive and passive-aggressive.

Uses in business

The goal of every organization is to achieve efficiency. Behavioural communication assists the managers to grasp the behavioural environment in the organization:

- It helps managers identify the team dynamics
- It helps managers notice whether something is bothering the employees and how it can be sorted out
- It helps managers recognize problematic employees and resolve any issues they might be facing
- It helps managers gauge the level of motivation in the team
- It helps managers ensure that employees are loyal to the organization and ethical in their work
- It helps managers maintain a good relationship with the internal and external stakeholders
- It helps managers bring new clients to the organization

7.2.4 Communication Networks

A communication network is simply a diagram showing communication patterns or relationships that are possible within a group or among individuals. The structure of the group itself will determine the ease with which members can transmit information.

There are five different types of communication networks. The studies have been conducted in a laboratory setting so that research conclusions are limited to small groups. Let us assume for the sake of network discussion, that the group consists of five members. One of the objectives of the study was to evaluate the effect of the network's degree of centralization or decentralization in the communication process. Three of the five networks reflected the centralized process in which information must flow through a central or a pivotal person. In contrast, in a decentralized network, each member has an equal opportunity to participate in the communication process.

The centralized networks are known as the ‘chain’, the ‘wheel’ and the ‘Y’ types. The chain is a typical network formation in a classical type of organization where the information flows only up or down in a hierarchical chain of command. No horizontal communication is provided. A ‘wheel’ network also known as a ‘star’ network represents a supervisor in the centre with four subordinates. The subordinates do not communicate with each other. All communications are channelled through the supervisor. The ‘Y’ shape network is a four-level hierarchy, where two subordinates through the hierarchical chain report to the manager X who has two levels above him to whom he reports.

The two communication networks that are decentralized are the ‘circle’ and the ‘all channel’ network. In a ‘circle’ network, members of the group interact with adjoining members and no others. The group may have a formal leader or the supervisor, the interaction is primarily lateral among members. This type of interaction is typically found in the autonomous work groups.

Finally in the ‘all channel’ or the ‘completely connected’ network, each of the members can communicate freely with the other four. Typically, there is no leader and the communication can be initiated by anyone, even though one member either formally or informally can become the dominant member, but without any dominating privileges.

Each one of these networks has some significant effect on the task performance. For example, members of decentralized networks report greater satisfaction than members of centralized networks. The more is the centralization of the network, the lower the satisfaction. Thus the ‘all channel’ networks produce the highest satisfaction rates. Decentralized networks are also relatively advantageous where the tasks are complex requiring sharing of information and objective analysis by groups. When the tasks are comparatively simple and routine and have to be completed in a short time, centralized networks are more effective.

In summary, formal communication networks play a significant role in several aspects of organizational behaviour and an understanding is necessary as to which type of network is most useful in the areas of information flow, decision making and satisfaction as well as commitment of group members.

The informal communication network, also known as the ‘grapevine’, exists in every organization and it cuts through the formal lines of communication. While it is necessary to have a formal organization structure for communication channels, since an effective communication network with clear flow of communication may ‘regulate behaviour, encourage innovation, integrate or coordinate activities and inform or instruct employees’, it is also very beneficial to attend to informal channels of communication, that can communicate important matters to the management that would not be feasible through normal channels.

This type of communication is more lateral in nature and is built around the social relationship and social interaction among the members of the group. This

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informal communication can be considered as a beneficial safety valve capable of carrying important information quickly and accurately. It can also be considered as destructive, due to its capacity to spread rumours, destroy morale, misinform and create interpersonal problems.

There are some problems with the hierarchical channels of communication that can be minimised through informal channels of communication. According to A.K. Mazumdar, such problems are as follows:

- The mass of information that is generated every day, if communicated through formal channels, will create a bottleneck in the speedy flow of information at any level in the hierarchical structure.
- Due to several levels in the hierarchical process, much of the information is lost or distorted at each step, since each person at each level may perceive the information in a different perspective. According to Ralph G. Nichols, there is a 'tremendous loss of information—37 per cent between the board of directors and the vice-presidential level. General supervisors get about 56 per cent of the information, plant managers and general foremen receive only 30 per cent of what has been transmitted downward to them. An average of only 20 per cent of the communication sent downwards through the five levels of management finally gets to the worker level'.
- There can be some distortion in information to be communicated in what is known as 'protective screening'. A subordinate is likely to report to his superior only that portion of the information that is favourable and either ignores or distorts the information that is unfavourable to him.

Is the grapevine desirable from the organization's point of view and is the information that flows along the grapevine accurate? Evidence indicates that at least 75 per cent of the non-controversial organization-related information is basically correct. The grapevine can keep employees informed about any important organizational concerns such as job security. It can also provide a test for employee reactions to proposed organizational changes before making formal commitments. Keith Davis has suggested that grapevine channel of communication should complement the formal channel of communication so that they both have a synergetic effect for the benefit of the organization.

It can also become a real problem when it generates unfounded rumours. A rumour is an unverified belief that is in general circulation. Rumours emerge as a response to a situation that is important to the group members and there is sufficient ambiguity to cause anxiety. A rumour, as it is passed along can either become highly complex so that the entire meaning is changed at the end, or it becomes oversimplified so that some difficult to remember but important details will be omitted before it reaches the final receiver. For example, a rumour that begins with: 'Paul Jones was laid off because of installation of that new automated casting machine. They think he will be back on another job soon' may end up as: 'Word

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is that automation will cost a lot of jobs around here. Some guys are already gone.'

The above rumour may gain significance if the economic climate and unemployment rate are alarming.

7.3 MODELS AND PERSPECTIVES OF COMMUNICATION

Communication models are comprehensive representation of the process which aid in understanding how communication works. Models demonstrate the process through images and in metaphorical form. By breaking communication from complex to simple, they form general views on communication. Models of communication can sometimes foster traditional thinking and generalising, but can also omit some important aspects of human communication. Communication methods and channels, and the purpose of communication, must be considered before selecting a specific model of communication. Business companies and other firms use models to foster communication, explore their options and assess their own situations. It's also used to understand how the message is interpreted by the receivers. Following are some of the most popular models of communication:

- **Linear Model of Communication:** The linear communication model is a straightforward one way model of communication. The message passes from sender to receiver in a straight line. There is no place of feedback in this model. The only job a receiver does here is to get the message. Various models which follow the linear communication model are: Lasswell's Model, Aristotle's Model, Shannon Weaver Model, and Berlo's S-M-C-R Model
- **Transactional Model of Communication:** Senders and receivers are both known as communicators in the transactional model, and both play an equally important role. The transactional model pertains to communication with social reality, cultural upbringing and the context of relations. In this model, non-verbal feedback such as movements and body language are also considered as responses. Various models which obey the transactional communication model are: Barnlund's Transactional Model, Helical Model, and Becker's Mosaic Model
- **Interactive Model of Communication:** The interaction model or model of convergence is similar to the transactional model, because both of them are two-way methods of communication. Yet, interactive model is mainly used by modern technologies such as the internet. People can respond to many mass communications here, such as videos, news, etc. Schramm's Interactive Model has adopted the interactive communication model.
- **Dance's Helical Spiral of Communication:** In 1967, Dance created a model of communication based on a helix known as the helical model. He

discusses how a child learns to talk, and how the child grows up and keeps communicating. According to this model, communication relies on the speaker's previous experiences and activities.

- **Westley and MacLean's Conceptual Model:** The model of Westley and MacLean explains the difference between interpersonal and mass communication as feedback. In interpersonal communication, feedback can be direct, while it can be indirect in mass communication. In this model, communication begins from the environment, and not when the message is spoken or displayed.

7.3.1 Perspectives of Communication

The following two perspectives were described by Shockley-Zalabak as ways of interpreting the entire process of organisational communication.

The functional tradition

The functional tradition, as defined by Shockley-Zalabak, is 'a way of understanding organizational communication by describing what messages do and how they move through organizations'. Within this process, multiple functions all cooperate to help the business prosper, and these functions take place in the form of repeated communication pattern in which leaders of the organization interact with each other. The first kind of functions is message functions, as in 'What communication does or how it contributes to the overall functioning of the organization', and we describe message functions in three distinct classes, which are organizational functions, relationship functions and change functions.

'Messages that establish the rules and regulations of a particular environment' are the organising functions as stated by Shockley-Zalabak. These messages may include newsletters or guides for a particular organisation that people can read to learn about policies and expectations of a certain company. 'Communication that helps individuals define their roles and assess the compatibility of individual and organizational goals' comes under the scope of relation functions. Such relationship functions are a crucial element in the way people interact with an organization, enabling them to build a sense of belonging that can significantly affect their job efficiency. Change functions are the third and final subclass of message functions and they help organizations to change what they do and how they do it. Change messages happen in various decisions and are critical for meeting the needs of the employee and effectively adjust to the business.

The meaning-centred approach

Shockley-Zalabak defines meaning centered approach as 'a way of understanding organizational communication by discovering how organizational reality is generated through human interaction'. Instead of why and how it works, this approach is all about what communication is, and message movements and gestures are not much considered in this context.

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Check Your Progress

1. Identify the essential elements of interpersonal communication.
2. How can grapevine communication be destructive in an organization?
3. What is behavioural communication?
4. Define the meaning-centered approach.

7.4 COMMUNICATION BARRIERS

The communication must be interpreted and understood in the same manner as it was meant to be by the sender, otherwise it will not achieve the desired result and a communication breakdown will occur. There are external roadblocks to effective communication such as poor timing of communication, poor choice of channel of communication, incomplete, inadequate or unclear information, and network breakdown that can affect the proper reception of the communication. In addition, a person may interpret the communication not in the same manner as it was intended by the sender but in a way in which he wants to receive, depending upon the stimuli present, emotions or prejudices for or against a concept or ideology or personal conflicts so that instead of interpreting the content of the communication, the intent of the sender may be interpreted. According to Rogers and Roethlisberger, the communication effectiveness is always influenced by 'our very natural tendency to judge, to evaluate, to approve or disapprove the statement of the other person or other group'. This evaluation tendency may alter the meaning of the entire communication. Accordingly, the management should not only attempt to eliminate all external barriers so that the communication is clear and to the point, but also try to understand the perceptions and attitudes of the receiver. Only then can the communication have its maximum effect. Some of the organizational barriers to communication and non-verbal communication and some of the interpersonal barriers to effective communication are discussed as follows.

7.4.1 Noise Barriers

Noise is any external factor that interferes with the effectiveness of communication. The term is derived from noise or static disturbances in telephone conversation or radio wave transmission. It may cause interference in the process of communication by distraction or by blocking a part of the message or by diluting the strength of the communication. Some of the sources contributing towards noise factor are:

- **Poor timing:** The manager must know when to communicate. A message that requires action in the distant future may be forgotten by the time action is to be taken. Similarly, a last minute communication with a deadline may put too much pressure on the receiver and may result in resentment. A message must be sent at an appropriate time to avoid these problems.

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- **Inappropriate channel:** Poor choice of channel of communication can also contribute towards the misunderstanding of the message. The manager must decide whether the communication would be most effective if it is in writing or by a telephone call or a face-to-face conversation or a combination of these modes. If the communication has been initiated through a telephone call, then it may be necessary to confirm the message of the call by putting it in writing. The face-to-face communication emphasizes the strength of the message because it is supported by nonverbal gestures such as eye contact, hand gestures, facial expressions, and tone of voice.
- **Improper or inadequate information:** The information must be meaningful to the employee. It must be precise and to the point. Too little or too much information endangers effective communication. Ambiguity or use of words that can lead to different interpretations should be avoided.
- **Physical distractions:** The manager must recognize that in the case of face-to-face communication, any distractions can interfere with the process. Telephone interruptions, walk-in visitors or attending to other matters can interfere with the effective communication process. These external disturbances must be avoided.
- **Organizational structure:** The organizational structure should be such that the chain of command and channels of communication are clearly established and the responsibility and authority are clearly assigned and are traceable. Communication may be blocked, chaotic or distorted if the channels are not clear or if the passages are blocked or if there are bottlenecks or dead ends.
- **Information overload:** As dynamic changes are continuously occurring in our life, in our society and in our organizations, they create a mass of information to be processed for effective decision making. Overload occurs when individuals receive more information than they are capable of processing. The result could be confusion or some important information may be laid aside for the purpose of convenience.
- **Network breakdown:** The Network breakdown may be intentional or due to information overload and time pressures under which a communication has to be acted upon. Some factors contributing to such disruptions are:
  - o Important negative information may be withheld by the managers.
  - o The secretary may forget to forward a memo.
  - o There may be professional jealousy resulting in closed channels.

7.4.2 Interpersonal Barriers

There are many interpersonal barriers that disrupt the effectiveness of the communication process and generally involve such characteristics of either the sender or the receiver that cause communication problems. Some of these are:

- **Filtering:** Filtering refers to intentionally withholding or deliberately manipulating the information by the sender, either because the sender believes that the receiver does not need all the information or that the receiver is better off not knowing all aspects of a given situation. It could also be that the receiver is simply told what he wants to hear. The extent of filtering may also depend upon the number of levels in the organizational structure. The more vertical levels there are, the more likely the filtering.
- **Semantic barriers:** These barriers occur due to differences in individual interpretations of words and symbols. The words and paragraphs must be interpreted with the same meaning as was intended. The choice of a wrong word or a comma at a wrong place in a sentence can sometimes alter the meaning of the intended message. Many times, we have to explain that 'it was not what I meant' or 'you misunderstood my message' and so on, due to poor choice of words. For example, a night club advertisement sign, that reads 'Clean and decent dancing every night except Sunday,' could lead to two interpretations. First that there is no dancing on Sundays and second, that there is dancing on Sundays but it is not clean and decent. Similarly, when discussing a problem employee, a departmental head may tell his assistant 'to get rid of the problem.' He may mean to warn the employee or transfer him to another department. But the assistant may fire the employee believing that this was what was meant in the message. Accordingly, it is advised that if there is any ground for misunderstanding in a message, it be confirmed with the sender. For example, if you are giving your address to someone on the telephone, it is advisable that the receiver repeat this address so that the sender can verify it right away to reassure its accuracy.
- **Perception**: Perception relates to the process through which we receive and interpret information from our environment and create a meaningful world out of it. Different people may perceive the same situation differently. Hearing what we want to hear and ignoring information that conflicts with what we know can totally distort the intent or the content of the message. The management must realize and recognize these differences in perceptions and take steps to understand the environment. A successful manager must be aware of the impact of factors that affect perception by interaction with others and should also possess the ability to influence or change the perceptions of others where necessary so that events and situations are interpreted as accurately and objectively as possible. For example, an employee may resist a message simply because he has not developed a trust in the manager due to past experiences. If he was promised a bonus or promotion on certain accomplishments and did not receive the promised rewards, he may tend to ignore the communication wherever possible. Accordingly, the manager must take steps to eliminate such negative perceptions among the employees.

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7.4.3 Cultural Barriers

The cultural differences can adversely affect the communication effectiveness, specially for multinational companies and enterprises with a multi-ethnic workforce. Some examples are as follows:

- Advertisement about Action Man Soldier toys, where toy soldiers were in tanks holding machine guns, was not permitted in West Germany where they were interpreted as promoting violence.
- In Austria and France, children are not permitted to do television commercials.
- Most Jewish people will not work on Saturdays and most Muslims will not work on Friday afternoons.
- Establishing deadlines to accomplish work assignments is considered rude in most Middle East countries.
- Punctuality in some countries is not considered important.
- Many important meetings and activities are contemplated after consultations with astrologers in India.
- 'Coke adds life' may be misinterpreted as a device for long life.

Accordingly the management must recognize these barriers as culturally based and identify these cultural differences and attempt to minimize any adverse effects on communication effectiveness due to these differences.

7.4.4 Sender's Credibility

When the receiver believes the sender of the communication has high credibility the message is taken much more seriously and accepted at face value. If the receiver has confidence, trust and respect for the sender, then the decoding and the interpretation of the message will be closer to the intended meaning of the sender. Conversely, if the sender is not trusted, then the receiver will scrutinise the message closely and deliberately look for hidden meanings or tricks and may end up distorting the entire message. Similarly, if the source is believed to be an expert in a particular field then the listener may pay close attention, and believe the message specially if the message is related to the field of expertise. For example, an expert nuclear engineer may be viewed as a credible source on building a nuclear power plant and may be totally disregarded regarding his views on abortion.

7.4.5 Emotions

The interpretation of a communication also depends upon the state of the receiver at the time when message is received. The same message received when the receiver is angry, frustrated or depressed may be interpreted differently than when he is happy. Extreme emotions are most likely to hinder effective communication because rational judgments are replaced by emotional judgments.

7.4.6 Multi-meaning Words

Many words in the English language have different meanings when used in different situations. Accordingly, a manager must not assume that a particular word means the same thing to all people who use it. A study by Lydia Strong concluded that for the 500 most common words in English, there were 4,070 different dictionary definitions. For example, the word 'run' can be used in 15 different ways. Some of the examples are:

- Babe Ruth scored a 'run'.
- She has a 'run' in her stocking.
- Did you see him 'run'?
- What headlines do you want to 'run' today?
- There was a 'run' on the bank today.
- Who will 'run' for president this year?
- Please 'run' my bath water.

Accordingly, managers must make sure that they use the word in the same manner as the receiver is expected to understand it, otherwise it will create a barrier to proper understanding of the message.

7.4.7 Feedback Barriers

The final source of communication process problems lies in the feedback or lack of it. Feedback is the only way to ascertain as to how the message was interpreted. Feedback closes the communication loop and is important for effective communication. It is equally important to pay attention to feedback. The feedback may be for the purpose of communicating the results of an action or it may be for asking questions about communication for further clarifications. A student who misunderstands a question in the exam but does not have the provision to ask for clarification may end up giving the wrong answer. The omission of feedback can cause another problem in that the sender may have another message that depends upon the response to the first message. Thus no feedback or wrong feedback will create problems with the communication of the subsequent message.

7.4.8 Overcoming Communication Barriers

It is very important for the management to recognize and overcome barriers to effective communication for operational optimization and this would involve diagnosing and analyzing situations, designing proper messages, selecting appropriate channels for communicating these messages, assisting receivers of messages in correct decoding and interpretation and providing an efficient and effective feedback system. Some of the steps that can be taken in this respect are as follows:

- **Feedback and upward communication:** Feedback helps to reduce misunderstandings. Information is transferred more accurately when the

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receiver is given the opportunity to ask for clarifications about the message. Two-way communication, even though more time consuming, avoids distrust. It leads to trust and openness that builds a healthy relationship contributing to communication effectiveness. Upward communication is strengthened by keeping an open door policy and providing opportunities to workers to give their suggestions which the management should acknowledge and take appropriate action.

- **Improve listening skills:** According to Stuart Chase, 'listening is the other half of talking'. It is a very important part of the communication process. Listening is an active mental process and goes beyond simply hearing. Good listening habits lead to better understanding and good relationships with each other.

Guidelines for effective listening

- Listening requires full attention of the speaker. Do not let your mind wander or be preoccupied with something else, otherwise you would not be able to grasp the meaning of the message in its entirety.
- The language used, tone of the voice and emotions should receive proper attention. Listen for feelings in the message content and respond positively to these feelings.
- Ask questions to clarify any points that you do not understand. Reflect back to the speaker with your understanding of what has been said.
- Make sure that there are no outside interruptions and interferences during the course of the conversation.
- Do not prejudice or value the importance of the message due to your previous dealings and experiences with the sender or your perceptions about him, positive or negative.
- Don't jump to conclusions before the message is over and is clearly understood.
- Summarise and restate the message after it is over to doubly make sure about the content and the intent of the message.

Guidelines for effective communication

- **Develop writing skills:** Clearly written messages can help avoid semantic and perception barriers. Well-written communication eliminates the possibility of misunderstandings and misinterpretations. When writing messages, it is necessary to be precise thus making the meaning as clear as possible so that it accomplishes the desired purpose. Robert Degise gives the following suggestions for effective written communication:
    - **Use simple words:** This will reduce your thoughts to essentials and the message will be easier to understand by the receiver. The message will be lost if the words are complex and do not lend to a single meaning.

- o **Do not be bogged down by rules of composition:** While the rules of grammar and composition must be respected, they should not take priority over the ultimate purpose of the communication.
- o **Write concisely:** Use as few words as possible. Do not be brief at the cost of completeness, but express your thoughts, opinions and ideas in the fewest number of words possible.
- o **Be specific:** Vagueness destroys accuracy that leads to misunderstanding of the meaning or intent of the message. Accordingly, be specific and to the point.

- **Avoid credibility gaps:** Communication is a continuing process and the goal of communication is complete understanding of the message as well as the creation of trust among all members of the organization. Accordingly, the management must be sincere and should earn the trust of the subordinates. Management should not only be sensitive to the needs and feelings of workers but also its promises should be supported by actions. The word of the management should be as good as a bond. Only then would an atmosphere of congeniality accrue, that would enhance the communication process. According to studies conducted by J. Luft, openness and an atmosphere of trust builds healthy relationship and closes credibility gaps, thus contributing to communication effectiveness and enhancement.

7.5 TYPES OF COMMUNICATION

Let us now study the different types of communication. One of the basic foundations of the organizational operations is the communication between superiors and subordinates in the hierarchical system. Traditionally, the dominant theme in this type of organizational communication has been the 'downward' communication as far as the operational instructions and directions are concerned and 'upward' communication as far as operational reports and other feedback to management is concerned.

The downward communication is from the superior to the subordinate or from the top management to workers through the various hierarchical communication centres in between and may include such standard managerial tools as statement of the organizational philosophy and organizational objectives, standard operating procedures, standard quality control procedures, safety regulations and other relevant material. Downward channels are used to give employees work instructions and other information needed to exercise the delegated authority. In order for this communication to be effective, the workers should not only be told what to do but also why they are doing it and why their work is important to the organization. This increases a feeling of acceptance on the part of workers. It is also important that the communication be transmitted to workers in the language that they can understand. For example, a machine operator may not understand

much about organizational philosophy or any specialized terminology about strategic planning or technological dynamics. The workers must be communicated in their own words and perceptions. Also most workers are conditioned to accept communication from their immediate superiors and hence the message must be filtered down through normal channels and edited on the way down for the sole purpose of simplification wherever necessary without losing the content or intent of the message. It is important however, that there is no communication breakdown at any level or from any source. This breakdown may occur due to the failure of the message to get through, failure to deliver the message at the proper time or improper coding of the message. The message must be coded in the language of the receiver rather than in the language of the sender.

'Upward' communication moves in the opposite direction and is based upon the communication demand system designed by management to receive information from operational levels. This information may consist of standard reporting items such as production reports. The top management that is always concerned with improvements and higher productivity or that wants to know the reactions of employees to certain productivity or that wants to know the reactions of employees to certain policy or procedure changes and the effectiveness of the operational instructions issued will be isolated if there is no or poor upward communication. According to Esther R. Becker, upward communication provides a clear channel for funnelling information, opinions and attitudes up through the organization. The organization must provide a climate and an incentive system which is necessary to encourage such upward communication. This climate can be generated by an 'open door' policy where the workers know that their superiors are always available for discussion of problems and concerns. This system must ensure that the superiors have developed listening skills as well as a sincere and sympathetic attitude towards the worker's problems. This opportunity for upward communication encourages employees to contribute valuable ideas for improving organizational efficiency. The participative decision techniques can develop a great deal of upward communication by either informally involving subordinates or formally allowing their participation. Thus, the upward informational feedback can be gainfully utilized in decision centres to assess the results of organizational performance and to make necessary adjustments to attain organizational objectives.

In addition to upward and downward communication, there is also 'horizontal' or 'lateral' communication among equals. This is more informal in nature and is necessary in promoting a supportive organizational climate. For example, supervisors at the same level but from different departments, having lunch or coffee together can discuss and organize their activities in such a manner that they complement each other and the process is beneficial to the company as a whole. It provides a means by which managers at the same level of organization coordinate their activities without referring all the matters to their superiors. This type of communication is particularly frequent between the line and the staff units, and the production and marketing managers.

Wenburg and Wilmont suggest that instead of communication being 'upward' or 'downward' which is inter-communication, it should be 'transactional' communication which is mutual and reciprocal because, 'all persons are engaged in sending (encoding) and receiving (decoding) messages simultaneously. Each person is constantly sharing in the encoding and decoding process and each person is affecting the other.' In the transactional process, the communication is not simply the flow of information, but it develops a personal linkage between the superior and the subordinate.

7.5.1 Communication Technologies

Communications technology, also known as information technology, refers to all equipment and programs that are used to process and communicate information. Since the end of the 19th century, the way people communicate has been completely transformed. No longer beholden to pen and parchment, people can now deliver massive amounts of data with the push of a button. New communication technologies have connected not only people but also businesses, changing the way people interact on a daily basis.

The application of new technology for the communication of information includes computerized information processing systems, new forms of telecommunication systems and a combination of the two. The advancements in technology have introduced different methods of communication such as e-mailing, faxing, home banking, videoconferencing, voice mails, and text messaging, etc. The main challenge interpersonal for the future is to integrate the various technologies and to ensure that the social structures and power relationships in organizations are congruent with the new electronic office systems. The drawbacks of new technology are perceived in the form of information overload, loss of records in the paperless office, and the dehumanizing impact of electronic equipment. However, new technology will help in the dissemination of new ideas and practices, and in the process, organizations will become knowledge-based organizations. Another challenge that has arisen is privacy concerns with the proliferation of the Internet, especially with government monitoring and certain social networking sites, but the Internet has woven itself into the fabric of society and business and it is impossible to scale it back.

Check Your Progress

5. Why is feedback important?
6. What are some of the external roadblocks to effective communication?
7. How can downward communication be made effective?

7.6 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

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1. The essential elements of interpersonal communication are:
   a. Source
   b. Encoding
   c. The message
   d. Channel of communication
   e. Reception of message
   f. Decoding process
   g. Action
   h. Feedback
2. Grapevine communication can also be considered as destructive, due to its capacity to spread rumours, destroy morale, misinform and create interpersonal problems.
3. The individual differences which arise from the varied expression of feelings, thoughts and needs come under the ambit of behavioural communication. It can be considered as a type of communication which has its focus on psychological constructs.
4. Shockley-Zalabak defines meaning-centered approach as 'a way of understanding organizational communication by discovering how organizational reality is generated through human interaction'.
5. The final source of communication process problems lies in the feedback or lack of it. Feedback is the only way to ascertain as to how the message was interpreted. Feedback closes the communication loop and is important for effective communication. Thus, it is equally important to pay attention to feedback.
6. There are external roadblocks to effective communication such as poor timing of communication, poor choice of channel of communication, incomplete, inadequate or unclear information, and network breakdown that can affect the proper reception of the communication.
7. In order for downward communication to be effective, the workers should not only be told what to do but also why they are doing it and why their work is important to the organization. This increases a feeling of acceptance on the part of workers. It is also important that the communication be transmitted to workers in the language that they can understand.

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7.7 SUMMARY

- Management depends upon communication to achieve organizational objectives. Since managers work with and through other people, all their acts, policies, rules, orders and procedures must pass through some kind of communication channel.
- There are three primary methods of communicating in organizations. These are written, oral and non-verbal.
- Some of the meaningful communication is conveyed through non-verbal ways. Even some of the verbal messages are strengthened or diluted by non-verbal expressions.
- A communication network is simply a diagram showing communication patterns or relationships that are possible within a group or among individuals. The structure of the group itself will determine the ease with which members can transmit information.
- Communication models are comprehensive representation of the process which aid in understanding how communication works. Models demonstrate the process through images and in metaphorical form.
- The functional tradition, as defined by Shockley-Zalabak, is ‘a way of understanding organizational communication by describing what messages do and how they move through organizations’.
- Shockley-Zalabak defines meaning centered approach as ‘a way of understanding organizational communication by discovering how organizational reality is generated through human interaction’.
- There are many interpersonal barriers that disrupt the effectiveness of the communication process and generally involve such characteristics of either the sender or the receiver that cause communication problems.
- The cultural differences can adversely affect the communication effectiveness, especially for multinational companies and enterprises with a multi-ethnic workforce.
- It is very important for the management to recognize and overcome barriers for effective communication and this would involve diagnosing and analyzing situations, designing proper messages, selecting appropriate channels for communicating these messages, etc.
- One of the basic foundations of the organizational operations is the communication between superiors and subordinates in the hierarchical system.
- ‘Upward’ communication moves in the opposite direction and is based upon the communication demand system designed by management to receive information from operational levels.

- The application of new technology for the communication of information includes computerized information processing systems, new forms of telecommunication systems and a combination of the two.

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7.8 KEY WORDS

- **Static Disturbances:** It refers to noise produced in a radio or television receiver by atmospheric or various natural or man-made electrical disturbances.
- **Horizontal Communication:** It is the transmission of information between people, divisions, departments or units within the same level of organizational hierarchy.

7.9 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. Briefly explain the meaning and process of communication.
2. What are the uses of behavioural communication in business?
3. Write a short note on the functional tradition of communication.
4. Give examples of horizontal and lateral communication in an organization.
5. How can communication barriers make the whole process ineffective?

Long-Answer Questions

1. Explain the essential elements of communication.
2. Describe the meaning of communication networks and its types in detail.
3. Examine the different models of communication in organizations.
4. Describe the various interpersonal barriers which obstruct interpersonal communication.
5. Discuss the difference between upward communication and downward communication.

7.10 FURTHER READINGS

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UNIT 8 ORGANIZATIONAL SOCIALIZATION

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Structure

8.0 Introduction
8.1 Objectives
8.2 Organizational Socialization: Definition and Dimensions
8.3 Stages and Role of Workplace Counsellor
8.3.1 Role of the Workplace Counsellor
8.3.2 Accomplishment of Counselling
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8.4 Answers to Check Your Progress Questions
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8.0 INTRODUCTION

Organizational socialization is the process by which new workers learn the requisite information, skills and behaviours to become successful members and insiders of the organization. It is the process of incorporating a new employee into the organization and its culture. Strategies used to introduce newcomers to their new jobs and organizations include formal meetings, lectures, videos, printed materials, or computer-based orientations. Research has shown that these techniques of socialisation lead to positive results for new employees, such as higher job satisfaction, better job performance, greater organizational commitment, and a reduction in work stress and the intention to quit. For an organization seeking to maintain a competitive edge in an increasingly mobile and globalised workforce, these findings are particularly significant. In this unit, we will discuss the concept of organizational socialization. We will also discuss the stages and role of the workplace counsellor.

8.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the concept of organizational socialization
- Explain the dimensions of organizational socialization
- Discuss the stages and role of the workplace counsellor

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8.2 ORGANIZATIONAL SOCIALIZATION: DEFINITION AND DIMENSIONS

Bernardin defines socialization as the process by which an individual tends to appreciate the values, abilities, expected behaviour and social knowledge necessary for performing an organizational role and for participating as a member of the organization. Thus, socialization can be considered as a learning process. The employees learn how to work within the organizational environment enforcing explicit (i.e., policies and procedure) and implicit (i.e., culture) dimensions. Again, it is not a discrete activity. Rather, it takes place over a span of time; employees take sometimes years to get completely adjusted to an organization's working environment.

Types

Explicitly, induction or orientation programme is a part of the socialization process. The socialization process is classified as being institutionalized and individualized. Institutionalized socialization is formal. Thus, as a part of induction, each new employee receives the same, sequential, fixed information. On the other hand, individualized socialization is tailored to cater to the needs of each employee.

8.3 STAGES AND ROLE OF WORKPLACE COUNSELLOR

In general, as a human relations technique, counselling is essential for effectiveness in managing human resources. Specifically, it forms a prerequisite to perform the preceding personnel functions of performance appraisal, promotion, transfer and separation.

Counselling refers to the process of advising an employee or preferably in most cases, listening to their problems and enabling them to find a solution for it which is satisfactory to them. It relates to a method of understanding and helping people who are emotionally upset. Thus, it can also be defined as a discussion of an emotional problem with an employee with the general objective of minimizing it. As this definition implies, counselling deals with emotional problems and relates to 'trouble of the heart' rather than 'bother on the hands'. It precludes job difficulties which do not have much emotional repercussion. Moreover, as counselling involves discussion, it forms a process of communication.

Effective counselling is a product of good communication skills, largely oral, by which an individual tends to share his emotions with another individual. Explicitly, a simple social discussion of an emotional problem between two persons is not counselling. For counselling, there must be an understanding on the part of the employee (counselee), while the other person (counsellor) must come forward to

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facilitate it. Finally, counselling is not merely limited to professionally trained counsellors who are usually required in cases of serious emotional difficulties. Supervisors and managers of the organization can effectively counsel employees having less serious problems.

In this context, the term 'emotional difficulty or problem' deserves explanation and illustration. It excludes serious mental illness. Although the emotional problems may not appear to be very significant or complex to others, they are important to the individual who has them and thus, whose productive efficiency or performance is affected by them. These problems also exert an impact on the individuals' 'off-the-job' activities in other settings. The examples of such emotional problems cited in literature include: an employee who feels that his progress is very slow and that he has no chance for promotion in the company; an employee who expects to be transferred soon and thus, who is disturbed by the insecurity caused by this situation; a woman employee upset by her supervisor's criticism of her work; an employee who has a higher paid job elsewhere but cannot decide whether to accept it or not; an employee in friction with co-workers on the job. Majority of problem employees in industry suffer from such minor emotional difficulties. If these people are given timely help, their productive energies are released and they become more effective in their jobs.

8.3.1 Role of the Workplace Counsellor

The role of a workplace counsellor can be understood by learning why counselling is needed and what functions it performs.

Need for counselling

The need for counselling stems from the complexity of human beings. It is almost impossible for any human being to always have an optimal emotional balance. However, the point of 'blow-up' varies with every human being because of individual differences with respect to tolerance of emotional problems. Suppression of emotional problems which gets reflected in an individual's low morale and reduced performance is dangerous both to the individual and the organization. As the management cannot afford to ignore any mechanical faults, so also it cannot overlook the emotional problems of its people. Keeping in view the necessity for maintaining a reasonable emotional balance and directing the emotions of employees towards constructive applications, the need for counselling was realised for the first time in Hawthorne Works in 1928. The counselling programmes received further momentum during World War II through staff services. After the war, the personnel function of counselling was assigned to the line supervisors.

Today, the need for counselling may arise from varied on- and off-the-job conditions such as dissatisfaction, resistance to change, alienation, frustration, conflict and stress. Among these conditions, stress deserves special attention in view of its major contribution to emotional problems in today's complex work environment. Although counselling forms an important technique to prevent and

treat emotional problems stemming from stress at work, there are a number of other techniques which can also be used independently to accomplish this goal. One of the most promising of such techniques is the bio-feedback process which enables the individual to gauge the undesirable effects of stress from the feedback provided by instruments that measure symptoms of stress such as heartbeat, oxygen consumption, stomach acid flow and type of brainwaves. Thus, he can reduce undesirable effects of stress. Likewise, practice of Zen, Yoga and transcendental meditation also help to manage stress. Specifically, in transcendental meditation, attempt is made to meditate daily for two periods of 20 minutes through concentration on silent repetition of a *mantra.* One survey of several organizations in the USA where employees actively practised meditation for about a year revealed that the meditators had significantly more job satisfaction, better performance skills, less desire to leave the job and improved interpersonal relationships than a controlled group. Notwithstanding the growing use of meditation in reducing emotional strains, counselling forms the most frequently used technique of dealing with emotional problems at work. As pointed out earlier, the general objective of counselling is to provide support to the emotionally disturbed employee to deal with his problem so that he develops self-confidence, understanding, self-control and ability to work effectively in the organization.

Functions of Counselling

Counselling accomplishes the objectives discussed earlier by performing one or more of the following six functions: (*i*) advice, (*ii*) reassurance, (*iii*) communication, (*iv*) release of emotional tension, (*v*) clarified thinking, and (*vi*) reorientation.

- **Advice:** Advice is mistakenly considered as equivalent to counselling. However, it forms one of its several functions. Advising involves judging an individual's emotional problems and marshalling a course of action. It causes complications because of the inability of a person to understand another person's problem and suggest a solution for it. It also provides an inferior status to a counselee who remains dependent on the counsellor. Despite its ineffectiveness in resolving emotional problems of an employee, advice-giving is the most natural phenomenon practised between a superior and a subordinate in day-to-day work situations.
- **Reassurance:** Counselling performs the function of reassurance which refers to a way of providing courage to an individual to deal with a problem or developing confidence in him that he is facing towards an appropriate course of action. However, the difficulty with such assurance is that the counselled does not accept counselling intrinsically. Even when he is reassured, the counsellor's re-assurance fades away with the reemergence of the problem. Despite its weaknesses, reassurance is useful in certain situations, if handled carefully.
- **Communication:** Counselling facilitates both upward and downward communication. It provides the employee with an opportunity to express

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his feelings in an upward direction to the management. Thus, the management comes to know how the employees feel. The counsellor should keep in confidence the names of individual employees and interpret their feelings and convey to the management. These feelings expressed through logically classified statements may relate to their emotional problems with varied aspects of the organization. Counselling also facilitates downward communication where the counsellor helps to interpret varied policies and programmes of the company to people who tend to discuss their problems related to them.

- **Release of emotional tension:** Release of emotional tension or catharsis forms a significant function of counselling. By expressing the emotional problem during the process of counselling, the counselled gets an emotional release from his frustration and allied problems. Indeed, as soon as an individual starts explaining the problems to an active listener, his tensions tend to subside and his speech becomes coherent and rational. Although this release of tension may not necessarily solve the problems, it removes mental barriers and enables the person to again face his problems boldly.
- **Clarified thinking:** Counselling results in clarified thinking which happens due to emotional release. It can be generated quickly by a skilled counsellor acting as a catalyst. It may partly or entirely take place outside the counselling session as a result of certain developments during the counselling relationships. With the emergence of clarified thinking, the individual tends to accept responsibility for solving his emotional problems in a realistic way.
- **Reorientation:** Last but not the least, counselling performs the function of reorientation which relates to a change in an individual's psychic self stemming from a change in his basic goals and values. It involves a shift in one's level of aspiration corresponding to reality and enables one to recognize and accept one's own limitations. However, it can be largely generated by a professional counsellor rather than a line executive.

8.3.2 Accomplishment of Counselling

While performing these functions, counselling may have several accomplishments. Maier indicates seven such accomplishments of counselling: (*a*) identification of attitudes and values, (*b*) reduction of frustration, (*c*) location and acceptance of true problems, (*d*) stimulation of problem-solving, (*e*) development of responsibility, (*f*) conformity of solution with value system, and (*g*) availability of expert knowledge.

- Counselling helps in identifying attitudes and needs, and enables the management to recognize and deal with misunderstandings stemming at work.
- It reduces tensions and relieves frustration of the individual in view of the expression of hostile and regressive behaviour in a permissive climate.

- As soon as pockets of frustrated feelings are discovered and hostilities expressed during counselling, the individual is able to locate and accept his true problem. Prior to this accomplishment, the individual is preoccupied with his/her emotional feelings and thus, not able to focus on his/her true problem. Once he/she is ready to accept his/her problem, he/she is able to see it constructively.
- Counselling stimulates problem-solving. The problem-solving behaviour refers to a search for a way to circumvent, remove or overcome a barrier which is hampering progress towards a goal. During the counselling session, the individual tends to explore varied courses of action in the context of prevailing realities and before reaching the best course of action, he examines and evaluates different routes to his goal.
- Counselling facilitates the development of responsibility within the individual. As nothing develops a sense of responsibility better than responsibility itself, the skilled counsellor contributes towards this accomplishment by providing the individual with the responsibility for solving his own problem.
- The solution discovered during the counselling fits the personal value system of the individual. Indeed, as the individual is induced to solve his own problem, the solution is likely to conform with his personal value system. If decisions are imposed from above, they may be in contradiction to his value system and thus, the individual may develop guilt feelings which may be more dangerous to him than the problem itself.
- Counselling provides the individual with the expert knowledge and relevant information to solve his problem. The counsellor (supervisor) may have useful knowledge which he may provide at the problem-solving stage to help the individual to solve his problem by taking effective decisions. Obviously, such type of knowledge and information is provided only when the counseller really wants it and is ready to explore alternative courses of action constructively.

8.3.3 Forms of Counselling

Depending upon the extent of direction provided by the counsellor to a counsellee, Davis classifies counselling in three forms: directive, non-directive and cooperative.

1. Directive

Directive counselling is a process of listening to an employee's emotional difficulty, deciding with him what can be done and then telling and motivating him to do it. In usual practice, although its major role relates to advice, it also performs to a certain extent other functions of communication, release of emotional feeling and, in some cases, clarification of thinking. However, advice is generally unwise and thus, of questionable value. In situations where the counsellor is an effective listener, there is an enhanced possibility on the part of the counsellee to experience emotional

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release and to clarify his own thinking. The advice and reassurance provided during the course of directive counselling may become worthwhile if the employee is motivated by the counsellor to take a workable course of action.

2. Non-Directive

Because of its focus on the counsellee rather than on the counsellor, non-directive counselling is also called client-centred counselling. It refers to the process of skilfully listening and inducing an employee to describe his bothersome emotional difficulties, so that the counsellor can understand them and ascertain plausible courses of action. It allows the individual, overwhelmed by emotional problems to speak about them as long as he wishes without any interruption with an empathetic and an appreciative listener in the counsellor, who shows a feeling of empathy rather than of sympathy and who acts with an attitude of deep respect for the individual having a problem. He understands that the individual himself is best qualified to resolve his own problems. Accordingly, the counsellor helps the individual realize that goal and thus, allows him to talk about anything which may even seem to be irrelevant. The counsellor is required to have an agile and a receptive mind, and mirror each individual's feelings to enable the person to solve his problem. The counsellor encourages him to express his thoughts on the problem and concentrate on it. The counsellee may proceed from mere superficialities to deeper problems and with the release of his feelings, tends to reconcile himself with other persons and himself.

Theory of non-directive counselling

Rogers, the founder of non-directive counselling, summarizes the theory of this method as:

> ...within the client reside constructive forces whose strength and uniformity have been either entirely unrecognised or grossly underestimated.... In most, if not all, individuals there exist growth forces, tendencies towards self-actualisation.... The individual has the capacity and the strength to devise, quite unguided, the steps which will lead him to a more mature and more comfortable relationship to his reality.... All of the capacities ... are released in the individual if a suitable psychological environment is provided.

Thus, non-directive counselling appears to be instrumental in the release of dynamic forces within the individual and resolving his emotional problems himself. Probably, he can understand himself better than any other person if placed in an appropriate psychological environment. This will also help him to follow more effectively the course of action evolved by himself. This method is also in line with democratic or participative leadership. The counsellor considers the counsellee as socially and organizationally equal. He attempts to listen between the lines to understand the complete meaning of a counsellee's feelings. He also looks for painful events and feelings which the counsellee attempts to avoid in discussion with him. He follows an 'iceberg model' of counselling which assumes that there

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are more hidden feelings under the counsellee's communication than are actually revealed, and that the latent content of the message embodies deeper feelings than the readily evident manifested content.

Techniques of non-directive counselling

Harrell indicates that non-directive counselling embodies four techniques relating to (*i*) listening, (*ii*) focus on feeling, (*iii*) emotional detachment, and (*iv*) smooth ending of the interview.

- **Listening.** Once the counsellor has provided proper conditions and has clarified his role, his most important function relates to listening. The major purpose of listening is release of emotional expression. The counsellee is required to talk largely during the counselling session. As an emotionally upset person, neither does he wants to talk to someone to obtain information nor to have that person solve his problem. Rather, he is confused and does not understand what his real problems are and thus, cannot ascertain what is the best course of action to follow. As he is frustrated and not motivated, he is not ready to accept advice. Therefore, the counsellor's role is to help him to get rid of his frustrations, become motivated to understand what he wants and decide what values and goals are significant to him. While performing this role, the counsellor listens to the counsellee expectantly without expressing either approval or disapproval. He provides his whole-hearted attention to the counsellee and indicates occasionally that he understands his (counsellee's) line of thinking.
- **Focus on feeling:** As counselling relates to emotional rather than intellectual problems, there is a focus on feelings and not facts. Accordingly, the non-directive counsellor tends to stimulate further expression of the counsellee's feelings. In other words, he focusses his attention on the feelings and attitudes rather than on the content of the counsellee's remarks. His role consists in mirroring what the counsellee asserts for varied reasons. Use of counsellor's own terms and symbols by the counsellor facilitates the former's thinking. Indeed, the process of 'mirroring' returns the counsellee's own thoughts to him and thus, enables him to realize that his words and ideas justify (or conceal from himself/herself) the feelings which form the real determinants of his behaviour. On the other hand, if the counsellor tends to interpret his (counsellee's) thoughts or leads him to an obvious conclusion, it will detract him from the path of reasoning and will result in the failure of counselling. The counsellor must ensure that the responsibility for problem remains with the counsellee. There may be moments of silence on the part of the counsellee while he is engrossed in deep thought. In such situations, the counsellor is required not to interrupt his thoughts.
- **Emotional detachment:** The counsellor is required to maintain emotional detachment during the counselling session and remain impervious to any

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remark of the counsellee. The counsellor must ensure that the disturbed individual feels completely free to express his varied feelings. The effectiveness of counselling also necessitates that the counsellor does not disagree with the counsellee when he is antagonistic or contradicts the company policy or morality and ethics. In the role of a counsellor, the supervisor, especially when he is an 'autocrat', may find it difficult to keep calm and remain emotionally detached in such situations. In compliance with adherence to high professional standards, he may resolve this emotional conflict by rationalizing that such complaints heard in a confidential counselling session are not to be held against the disturbed employee. In course of time, the employee may realize that he himself was the cause of his problem rather than the supervisor or the company. He may then be glad to realize that his supervisor was broadminded enough to forgive him. If the employee complains about a correctable shortcoming of the company or the supervisor, attempts may be made to remove it.

Another problem which the counsellor faces relates to detachment from feelings with which he would agree in day-to-day conversation. Thus, for example, when the counsellee states his positive attitudes, the counsellor should reveal that he understands them rather than expresses his agreement with them. Again, when the employee (counsellee) expresses his deep positive personal feelings towards him, the supervisor (counsellor) should recognize the expression of feelings for whatever it is worth without reacting emotionally. Indeed, the positive feelings represent progress over frustrated feelings of hostility. By emotional involvement, the counsellor is diverted from his path of helping the upset employee and does not perceive the counsellee's problem clearly, or solve it effectively. Therefore, although permissive in approach, he must remain emotionally detached for which the employee will be grateful. It must be remembered that the nature of an employee's feelings expressed during the counselling session is a function of his needs. Thus, while the expression of anger relates to his hostile feelings rather than what the supervisor has done, an expression of deep appreciation for the supervisor merely represents his inner feelings which have surfaced. In both situations, the supervisor must remain calm without either reacting positively or negatively. Finally, the counsellor is required to deal tactfully with situations demanding his advice. The most effective way to tackle such situations is to throw back the question to the employee so that he further elaborates his point and in doing so gains insight into his problem.

- **Smooth ending:** Last but not the least, there is the problem of ending the counselling process smoothly. Usually, the duration of each non-directive counselling session is around an hour. In less than this duration, it may not be possible for the counsellee to complete his 'story' and thus, he may tend to continue longer. However, it does not mean that the session should continue till the counsellee reaches a definite conclusion. If the counsellee

fails to arrive at a definite conclusion even at the end of a session, he may be prone to think more about his problem. As a result of this groundwork, he is more likely to solve his problem in the subsequent session(s). A safe course of action in this context is that the counsellee should be told in advance the time available for the counselling session and adhere to it strictly despite how unresolved his problems appear to be at the end of the session. Attempts maybe made to further fix a date and time to continue the discussion with the counsellee. Usually, when the counsellee expects some remarks from the counsellor, it is the optimal moment to end the session even if the problem remains unresolved. The issue of length and number of counselling sessions will be further discussed in the next section of this chapter.

Limitations of non-directive counselling

Notwithstanding its varied advantages, non-directive counselling has many limitations. Since it requires several hours of counselling, it is a highly time-consuming and costly affair. Hence, it is possible for a supervisor to assist only a limited number of employees in organizational settings. Engaging thereby a professional counsellor to perform this function is in itself very costly. Its effectiveness is also dependent on how receptive a counsellee is to the counsellor and his modus operandi. A counsellor is required to possess the drive for the attainment of mental health and adequate social intelligence to visualize problems to be resolved and to have enough emotional stability to deal with them. Above all, the counselling itself may not provide any solution as it has no built-in mechanism to remove the counsellee from his native environment which caused his problem or to be able to modify it. Indeed, an effective solution to the problem may relate to an improved environment so as to provide a psychological support to the employee. In such situations, the management may be advised to take corrective action to improve the individual's work environment.

3. Cooperative counselling

As Davis indicates, while the use of pure non-directive counselling is not quite widespread in work settings because of its varied limitations, the adherence to directive counselling appears to be inappropriate in modern day democratic work situations. This indicates the need for application of a counselling method which falls between the two extreme forms of non-directive and directive counselling. Modern executives can integrate the two forms of counselling to accomplish their advantages and throw off their disadvantages. Cooperative counselling meets this need of the present industrial settings. It is neither entirely counsellee-centred nor counsellor-centred but requires both of them to come forward with their varied knowledge, perspectives and insight to resolve the counsellee's problems in a cooperative way. Thus, it can be defined as a cooperative process of mutual discussion of an individual's emotional problems and establishment of conditions conducive to their solutions. It can be practised by people who do not necessarily

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possess full-time professional training in counselling. This form of counselling is also free from the autocratic approach of directive counselling.

Although it demands some amount of training and time to practice, it is certainly within the reach of managers. It initiates the active listening technique of non-directive counselling. However, the cooperative counsellor tends to play a more positive role than the non-directive counsellor with progress of the discussion. The cooperative counsellor tends to provide the counsellee with whatever knowledge and insight he himself possesses and discusses the situation from a broad organizational perspective. Adherence to this approach enables the counsellee to see different perspectives for purposes of comparison. This form of counselling accomplishes the four functions of counselling including reassurance, communication, emotional release and clarified thinking. However, it is not possible to accomplish reorientation through this type of counselling for which the counsellee can be referred to as a professional counsellor. Likewise, if there is a need for directive action, the management can do so through its supervisory powers rather than through its counselling role. This type of counselling is most appropriate for practising managers to help resolve day-to-day emotional problems of their employees. Its major contribution to management practice relates to a shift of the traditional management role of directive counselling towards a participative management role of non-directive counselling.

Check Your Progress

1. What is the difference between institutionalized and individualized socialization?
2. What is counselling?
3. What is the role of directive counselling?

8.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Institutionalized socialization is formal. Thus, as a part of induction, each new employee receives the same, sequential, fixed information. On the other hand, individualized socialization is tailored to cater to the needs of each employee.
2. Counselling refers to the process of advising an employee or preferably in most cases, listening to their problems and enabling them to find a solution for it which is satisfactory to them. It relates to a method of understanding and helping people who are emotionally upset.
3. In usual practice, although directive counselling's major role relates to advice, it also performs to a certain extent other functions of communication, release of emotional feeling and, in some cases, clarification of thinking.

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8.5 SUMMARY

- Bernardin defines socialization as the process by which an individual tends to appreciate the values, abilities, expected behaviour and social knowledge necessary for performing an organizational role and for participating as a member of the organization.
- Explicitly, induction or orientation programme is a part of the socialization process. The socialization process is classified as being institutionalized and individualized.
- In general, as a human relations technique, counselling is essential for effectiveness in managing human resources. Specifically, it forms a prerequisite to perform the preceding personnel functions of performance appraisal, promotion, transfer and separation.
- Counselling refers to the process of advising an employee or preferably in most cases, listening to their problems and enabling them to find a solution for it which is satisfactory to them. It relates to a method of understanding and helping people who are emotionally upset.
- The role of a workplace counsellor can be understood by learning why counselling is needed and what functions it performs.
- The need for counselling stems from the complexity of human beings. It is almost impossible for any human being to always have an optimal emotional balance.
- Suppression of emotional problems which gets reflected in an individual's low morale and reduced performance is dangerous both to the individual and the organization.
- Maier indicates seven accomplishments of counselling: (*a*) identification of attitudes and values, (*b*) reduction of frustration, (*c*) location and acceptance of true problems, (*d*) stimulation of problem-solving, (*e*) development of responsibility, (*f*) conformity of solution with value system, and (*g*) availability of expert knowledge.
- Directive counselling is a process of listening to an employee's emotional difficulty, deciding with him what can be done and then telling and motivating him to do it.
- Non-directive counselling refers to the process of skilfully listening and inducing an employee to describe his bothersome emotional difficulties, so that the counsellor can understand them and ascertain plausible courses of action.
- Cooperative counselling is neither entirely counsellee-centred nor counsellor-centred but requires both of them to come forward with their varied knowledge, perspectives and insight to resolve the counsellee's problems in a cooperative way.

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8.6 KEY WORDS

- **Induction Programme:** It is the process used within many businesses to welcome new employees to the company and prepare them for their new role. It helps in the integration of employees into the organization.
- **Autocrat:** It refers to a person who insists on complete obedience from others; an imperious or domineering person.

8.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What do you mean by organizational socialization?
2. Why is counselling needed?
3. Write a short note on cooperative counselling

Long-Answer Questions

1. Explain the functions of counselling.
2. Discuss the accomplishments of counselling.
3. Describe non-directive counselling in detail, along with its techniques and limitations.

8.8 FURTHER READINGS

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BLOCK - III

BEHAVIOURS

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UNIT 9 INDIVIDUAL BEHAVIOUR IN ORGANIZATIONS

Structure

9.0 Introduction
9.1 Objectives
9.2 Productive and Counterproductive Behaviour in Organizations
  9.2.1 Definition of Productive and Counterproductive Behaviours
  9.2.2 Impact of Productive and Counter-Productive Behaviours on Organization
9.3 Job Satisfaction
  9.3.1 Factors Determining Job Satisfaction
  9.3.2 Impact of Job Satisfaction
9.4 Employee Absenteeism
9.5 Employee Turnover
9.6 Occupational Stress
  9.6.1 Causes of Occupational Stress
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9.0 INTRODUCTION

Organizational behaviour is the study of the performance and behaviour of both group and individual. This study area scans human behaviour within the working atmosphere. It determines its impact on job structure, performance, communication, motivation, leadership, ability to take decisions, etc. Organizational behaviour massively draws upon psychology, engineering, and medicine at the individual level of analysis. Organizational behaviour at this stage includes understanding learning, perception, imagination, motivation, and temperament. It also involves the study of turnover, job performance and evaluation, coordinated behaviour, deviant work behaviour, ethics, and comprehension. In this unit, we will discuss organizational behaviour at the individual level by studying the effects of productive and counterproductive behaviour in organizations and by learning the concept of job satisfaction, employee absenteeism, employee turnover, and occupational stress.

9.1 OBJECTIVES

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After going through this unit, you will be able to:

- Understand the effects of productive and counterproductive behaviour in organizations
- Explain the concept of job satisfaction and employee absenteeism
- Discuss the meaning of employee turnover and occupational stress

9.2 PRODUCTIVE AND COUNTERPRODUCTIVE BEHAVIOUR IN ORGANIZATIONS

Employees are hired in modern organizations with the aim of working effectively and efficiently using available resources to optimise labour productivity. Therefore, the management anticipates that employees will exhibit productive behaviour to help achieve the organizational goals. However, some companies are often faced with issues of counterproductive behaviour among their employees, which can have adverse effects on their operations if not controlled.

9.2.1 Definition of Productive and Counterproductive Behaviours

Productive behaviour within an organization is defined as worker-exhibited behaviours that contribute positively to the achievement of organizational goals and objectives. Hence, productivity behaviour is what increases the overall organizational productivity. It is a positive ranking that distinguishes all workers who are self driven and self-supervised to work competently for the organization. Productive behaviour is categorized into job performance, organizational citizenship and innovation. These three are used for determining positive levels of behaviour of an individual within an organisation.

On the other hand, counter-productive behaviour depletes the positive effects of the productive behaviour in an organization. It is defined as any intentional behaviour displayed by an organization's member that is contrary to the valid interests of the organization. Counter-productive behaviour consists of property and production-based deviance that breaches the implied or specific norms of commonly acceptable activity in the workplace, including activities such as alcohol and substance abuse, sexual assault, fraud, and employee absenteeism. These behaviours can fulfil an employee's immediate needs but will potentially harm an organization's interests.

9.2.2 Impact of Productive and Counter-Productive Behaviours on Organization

Both productive and counter-productive behaviours, besides being an important part of occupational psychology, play vital roles in organizational productivity. The difference between productive behaviour and counterproductive behaviour is

that they are antonymic. This is to say, productive behaviour reduces counter-productive behaviour and vice versa. As much as productive behaviour is a positive attribute that organizations encourage, counter-productive behaviour is a vice that adversely affects an organization's performance and its members. Firstly, on an individual basis, an employee's productive behaviour can result in pay increases and promotions. In addition, an organization which has a good reputation for well-behaved employees will build a powerful brand. On the other hand, counterproductive behaviour can, more frequently than not, lead to the firing of the workers involved and therefore to loss of livelihood.

Second, an organization's performance depends on its employees' behaviours. Productive employees maximise capital use while optimising operational efficiency for the added benefit to stakeholders. However, if employees in the organization engage in counterproductive behaviour and activities, then the organization will lose its value, resulting in poor performance. So we can determine that an organisation's performance is directly affected by its employees' behaviours.

Finally, employees' work performance can be easily affected by productive and counter-productive behaviours. An employee with a productive behaviour can inspire other workers to follow suite and therefore build performance synergies. This increases labour productivity, and ultimately improves the quality of the organization's products and/or services. On the contrary, counter-productive employees can deter or disrupt productive employees which will have a negative effect on organization's overall efficiency.

9.3 JOB SATISFACTION

Job satisfaction is the individual employee's general attitude towards the job. The employee's feeling about the job is considered under job satisfaction. A job provides monetary benefits as well as satisfaction. Employees feel satisfied and happy while working on jobs or after completing jobs. They develop some general attitude while they interact with each other, with the general public, customers, manager, administration and also with the members of their societies. Employees may feel satisfied, moderately satisfied or highly satisfied. Similarly, they may also develop negative attitudes on the satisfaction scale. Task varieties, significance and other characteristics are the important factors for providing satisfaction to employees. Many employees are satisfied with complete jobs while others are satisfied with simple jobs. Employees perceive jobs as satisfying or dissatisfying. Sometimes the employee's perception may not be in consonance with reality. However, cognitive satisfaction is the important factor to understand employee's satisfaction.

9.3.1 Factors Determining Job Satisfaction

Factors affecting jobs are the main factors of job satisfaction, which may be challenging work, reward systems, working conditions, colleagues, learning and personality. Many employees prefer a challenging job as they acquire mental satisfaction. Skill variety, autonomy and significance are challenging tasks which

provide maximum satisfaction to employees. Many times, people feel bored if a job is too simple and routine, but many employees also enjoy simple and routine jobs. The job characteristics are important factors for providing satisfaction. Reward systems, equitable rewards, equal pay for equal work, promotion avenues, etc. are satisfying factors. Money is important to employees having unfulfilled basic and safety needs but their attitudes towards rewards change once they are satisfied with their basic needs, i.e. they require more awards and recognition. Fairness in promotion, unbiased attitude of the management, responsibilities and social status are the factors that are said to be providing satisfaction to employees.

Working conditions influence employee levels of satisfaction. Under conducive working conditions, people prefer to work hard while in an adverse atmosphere people avoid work. Working conditions not only include the physical conditions of the work place but also the working relationships in the organisation. The physical conditions, for example, are the light, temperature, willingness, etc. A clerk working under routine conditions likes to work hard in an air-conditioned atmosphere with computer facilities. He gets satisfaction while working in the office. It increases the working capacity of the employee. The relationship between the employees and their managers has an important bearing on job satisfaction. Social interaction is also recognised for the purpose. Job satisfaction is greater in case the higher authority is sympathetic, friendly and willing to help the employees. Employees feel satisfied when their views are listened to and regarded by their higher authorities. The perceptions and personalities of employees are the deciding factors of job satisfaction. Personal attitudes and perceptions are the employees' angles of satisfaction, which should be taken into consideration while motivating people to arrive at job satisfaction.

9.3.2 Impact of Job Satisfaction

Job satisfaction has a positive impact on productivity, presence and performance. Satisfied workers like to perform more willingly and happily, which increases the productivity. Job satisfaction induces employees to remain with the organisation. The behaviour of an employee is improved when he works with satisfaction. Job satisfaction is seen more in higher levels of employees with increase in productivity and performance. Job satisfaction is visible in the lower cadre of employees also. The turnover is increased with satisfied employees and satisfied sales force. Market conditions, job opportunities, length of work tenures promotional policies along with satisfied sales force will increase sales.

Dissatisfied employees prefer the channels of exit or neutral productivity. They do not like to work hard or demonstrate their capacities. They continue to work as routine and uninterested persons. If they are pressurised to resort to unhealthy and uninteresting jobs, they prefer to leave the job, which lead to decline in loyalty and increase in criticism of the organisation. Ultimately, the image of the organisation will suffer a lot. Job design is created to help employees to get satisfaction and perform better. The job content, functions and relationships are well designed to motivate employees for better results and achievement of organisational goals.

9.4 EMPLOYEE ABSENTEEISM

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Absenteeism is the total man-shifts lost due to the absence of the total number of man-shifts scheduled to work. It, therefore, signifies unauthorized, unexplained, avoidable and wilful absence from work. Normal absence is excluded from this category as an employee usually takes leave of absence with prior permission of the authority to meet his own personal exigencies. Such exigencies may be on the ground of sickness, certain domestic eventualities, accidents, etc. In all the cases, an employee may not take prior permission from his employer but may regularize his absence giving intimation within a scheduled period of absence. In most of the cases, if an employee remains absent from work for more than three consecutive days without any intimation, it is considered as wilful or unauthorized absence. This, therefore, makes an employee liable to give intimation within three days from the date of his absence to regularize his leave. Absenteeism is, therefore, a wilful or habitual absence from work and not any other types of absence.

Wilful or habitual absence contributes to the production loss and, therefore, it is a major problem for the management. The problem of absenteeism at macro level in India varies from industry to industry. Such rate normally varies from 7 per cent to 30 per cent in mining, textile, jute, plantation and engineering industries. Although there are a number of studies on the problems of absenteeism at unit level, the macro-level data on absenteeism in India is yet to be available to study the phenomenon both behaviourally and economically.

National Productivity Council carried out a survey to understand the magnitude of absenteeism and found that personal sickness, family sickness, domestic and social exigencies are the most important factors for absenteeism in Indian industries. Other factors of absenteeism like drunkenness, poor interpersonal relationships, genuine transportation problems, need for leisure, etc., are responsible for relatively less percentage of absenteeism. No matter what may be the factors of absenteeism, any organization needs to ensure better working environment, good inter-personal relationships, less industrial fatigue, adequate welfare facilities, motivation, quick redress of the grievances for reducing the rate of absenteeism. If all the above measures do not succeed, organizations need to educate workers and give counselling to make them aware of the effect of absenteeism, duly mentioning the financial loss sustained by them (in terms of wage loss) and problems, which the organization suffers.

Check Your Progress

1. What does counter-productive behaviour involve?
2. What are the consequences of dissatisfied employees in an organization?
3. What is normal absence?

9.5 EMPLOYEE TURNOVER

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Labour turnover is the rate of change in the working hands of a particular organization during a given period. It, therefore, signifies the shifting of workforce from one organization to another and also the loss of manpower due to discharge, retirement, death, etc. The rate of labour turnover is expressed in terms of accession and separation rate. Accession is addition to the workforce while separation is deletion from the workforce, for any of the reasons mentioned above. Labour turnover is a serious problem for the industry because of the following reasons:

- High cost of recruitment to effect replacement
- High training cost
- Loss of supervisory and managerial time
- Slow rate of output of the new incumbents
- Damage to the plant and machinery
- High rate of scrap and waste, etc.

In India, due to less scope for job mobility, labour turnover and job change or job switch is not a serious problem, except in some particular occupations where knowledge and skill of workers are relatively more. In high profile jobs, turnover is more due to the increase of scope of job switch.

To encounter the problem of labour turnover, it is necessary for the organization to initiate same action as pointed out in the case of managing the problem of absenteeism earlier. However, a little more attention is required to sustain employee motivation by fulfilling both their intrinsic and extrinsic needs.

9.6 OCCUPATIONAL STRESS

A term widely used in the professional corporate sector, occupational stress refers to the ongoing or progressing stress experienced by an employee due to the workplace's duties, conditions, environment or other pressures. Depending on the particular employee, their job role, the culture of the organization and more, there are many forms of occupational stress.

9.6.1 Causes of Occupational Stress

Although the causes of occupational stress can vary from person to person, it is important to recognise that workers in all organizations may be impacted by occupational stress, regardless of how large or how small they may be. Some major examples of stressors in jobs include:

- Strict policies and procedures that an organization implements
- Restricted opportunities for professional and personal growth

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- Disputes between individuals within a department or between organizational groups
- Micromanagement and mismanagement of the workplace
- Taunting, intimidation and bigotry
- Lack of assistance from Human Resources
- Little to no support or direction in jobs
- Being overworked
- Performance standards which far exceed the training and skills of an employee
- Wage loss, pay cuts, and lack of benefits

Whatever the cause may be, the consequences of occupational stress may be monumentally counterproductive to the employee's general well-being and efficiency. Occupational stress can not only cause accelerated ageing and other personal issues, but it can also greatly impede the motivation, inspiration and dedication of an employee towards their work.

9.6.2 Symptoms of Occupational Stress

When it comes to knowing what work-related stress is, it is important that the symptoms of stress in the workplace should be detected first. Occupational stress symptoms most frequently include:

- Lacking the motivation to fulfil basic work requirements
- Frequent emotions of overall stress, chaos and confusion
- Noticeable dietary changes
- Increased insomnia and irritability
- Unhealthy feelings of depression, frustration, helplessness, dejection, and disappointment
- Inability to execute or communicate in a productive way
- Excessive exhaustion

Many people with untreated prolonged occupational stress have a variety of health concerns, including viral and bacterial infections, increased levels of hormones, excessive internal damage, and severe skin conditions. The treatment of occupational stress is critical for those reasons alone.

9.6.3 Coping Mechanism for Occupational Stress

There are several ways in which employees can cure, deal and ward off workplace stress. Employees can avoid procrastination by ensuring a conscientious, rational speed of work and regularly completing the assignments that they have started. In addition , employees should attach importance to issues such as timeliness, regularity, time management, honesty, diligence, and discipline, as these attributes help promote a positive, professional attitude that is often recognised and rewarded by senior management staff.

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HR departments, on the other hand, can do their part by encouraging a positive, proactive workplace environment to prevent occupational stress among staff members. Extinguishing bullying, bigotry and abusive activities immediately is important, as is fostering an open-door culture where people feel protected and confident disclosing such behaviour. More than anything, though, HR teams can play a significant role in reducing workplace stress rates to a minimum by introducing programmes, strategies and techniques that leave workers feeling safe, inspired and relaxed.

Check Your Progress

4. What is the status of labour turnover in a country like India?
5. How can employees avoid occupational stress?

9.7 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Counter-productive behaviour consists of property and production-based deviance that breaches the implied or specific norms of commonly acceptable activity in the workplace, including activities such as alcohol and substance abuse, sexual assault, fraud, and employee absenteeism.
2. Dissatisfied employees prefer the channels of exit or neutral productivity. They do not like to work hard or demonstrate their capacities. They continue to work as routine and uninterested persons. If they are pressurised to resort to unhealthy and uninteresting jobs, they prefer to leave the job, which lead to decline in loyalty and increase in criticism of the organisation. Ultimately, the image of the organisation will suffer a lot.
3. In normal absence, an employee usually takes leave of absence with prior permission of the authority to meet his own personal exigencies. An employee may also not take prior permission from his employer but may regularize his absence giving intimation within a scheduled period of absence.
4. In India, due to less scope for job mobility, labour turnover and job change or job switch is not a serious problem, except in some particular occupations where knowledge and skill of workers are relatively more. In high profile jobs, turnover is more due to the increase of scope of job switch.
5. Employees can avoid occupational stress by avoiding procrastination by ensuring a conscientious, rational speed of work and regularly completing the assignments that they have started. In addition , employees should attach importance to issues such as timeliness, regularity, time management, honesty, diligence, and discipline, as these attributes help promote a positive, professional attitude that is often recognised and rewarded by senior management staff.

9.8 SUMMARY

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- Employees are hired in modern organizations with the aim of working effectively and efficiently to optimise labour productivity. Therefore, the management anticipates that employees will exhibit productive behaviour to help achieve the organizational goals.
- Productive behaviour within an organization is defined as worker-exhibited behaviours that contribute positively to the achievement of organizational goals and objectives.
- Counter-Productive behaviour depletes the positive effects of the productive behaviour in an organization. It is defined as any intentional behaviour displayed by an organization's member that is contrary to the valid interests of the organization.
- The difference between productive behaviour and counterproductive behaviour is that they are antonymic. This is to say, productive behaviour reduces counter-productive behaviour and vice versa.
- Job satisfaction is the individual employee's general attitude towards the job. The employee's feeling about the job is considered under job satisfaction.
- Job satisfaction has a positive impact on productivity, presence and performance. Satisfied workers like to perform more willingly and happily, which increases the productivity.
- Dissatisfied employees prefer the channels of exit or neutral productivity. They do not like to work hard or demonstrate their capacities. They continue to work as routine and uninterested persons.
- Absenteeism is the total man-shifts lost due to the absence of the total number of man-shifts scheduled to work. It, therefore, signifies unauthorized, unexplained, avoidable and wilful absence from work.
- Labour turnover is the rate of change in the working hands of a particular organization during a given period. It, therefore, signifies the shifting of workforce from one organization to another and also the loss of manpower due to discharge, retirement, death, etc.
- A term widely used in the professional corporate sector, occupational stress refers to the ongoing or progressing stress experienced by an employee due to the workplace's duties, conditions, environment or other pressures.
- Although the causes of occupational stress can vary from person to person, it is important to recognise that workers in all organizations may be impacted by occupational stress, regardless of how large or how small they may be.

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9.9 KEY WORDS

- **Stressors:** It is a chemical or biological agent, environmental condition, external stimulus or an event seen as causing stress to an organism. Psychologically speaking, a stressor can be events or environments that individuals might consider demanding, challenging, and/or threatening individual safety.
- **Labour Turnover:** It is the rate of change in the working hands of a particular organization during a given period.
- **Absenteeism:** It is the practice of regularly staying away from work without good reason.

9.10 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What do you mean by productive behaviour of employees in an organization?
2. What are the most important factors for absenteeism in Indian industries?
3. What is employee turnover and why is it a serious problem?

Long-Answer Questions

1. Describe the impact of productive and counterproductive behaviours on an organization.
2. Explain the factors determining job satisfaction.
3. Discuss the causes and symptoms of occupational stress.

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UNIT 10 SPECIAL GROUPS IN ORGANIZATIONAL COUNSELLING

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  10.2.1 Dealing with Chronic Absentees
10.3 Accident Prone and Maladjusted Employees
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10.4 Employees with Family Problems, Alcoholism and Drug Addiction
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10.5 Undisciplined Employees
10.6 Answers to Check Your Progress Questions
10.7 Summary
10.8 Key Words
10.9 Self Assessment Questions and Exercises
10.10 Further Readings

10.0 INTRODUCTION

At first look, it can appear easy to support your workers over a tough personal problem or reprimanding them for their attitude or behaviour. It's all about being compassionate and respectful, and making sure they know that you're there for them, right? In reality, it has a lot more to it than that. And if not properly handled, then what started out as a personal problem might turn into a professional one. Thus, a manager or Human Resources need to consider these problems as seriously as they would consider any other. In this unit, we will discuss the problems of chronic absentees, accident prone, and employees with family problems, along with the problems of employees with alcoholism and drug addiction, maladjusted employees, and undisciplined employees.

10.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the problems of special groups in need of counselling
- Explain the problems of chronic absentees, accident prone, and employees with family problems

- Discuss the problems of employees with alcoholism and drug addiction, maladjusted employees, and undisciplined employees

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10.2 CHRONIC ABSENTEES

It is considered chronic absenteeism when a person is regularly absent from work. This may be a breach of an employee's contract, and may result in suspension or termination of employment. Chronic absenteeism does not include excused absences such as unforeseen health or personal problems. Chronic absenteeism is also an indication of poor worker performance, low confidence, occupational risks, a medical disorder, or psychiatric problems. Causes can include personal or family illness, disability, family or professional responsibilities, occupational mistreatment, excessive workload, intimidation, fatigue, lack of commitment, job search or family circumstances. Nevertheless, the most common reason cited by most workers is illness or injury.

10.2.1 Dealing with Chronic Absentees

To effectively curb the absenteeism, you need a clear and consistent approach. Take these measures, so that the employees know exactly where you stand:

- **Put it in writing:** An employee manual is a great way to spell out your policy on excessive absenteeism, and the reporting process they should follow if they are late or absent. State the implications of chronic absenteeism including termination.
- **Gather information:** Before you engage with employees on the subject of excessive absenteeism, prepare yourself with examples and the dates and times they were late or absent. They can't deny it, with evidence in hand.
- **Tell them you've noticed:** Discussing the issue with first-time offenders casually is okay.
- **Show your concern:** Putting the emphasis on the well-being of your employees helps get them off the defensive.
- **Open up a discussion:** Give them a chance to explain, and propose suggestions. A bad attendance record may be the product of a bigger problem.
- **Create exceptions as appropriate:** if, for example, an employee has trouble coming to work on time after dropping their kids off at school, you might negotiate a more flexible schedule if it works for your company and does not affect your other employees.
- **Know when to take strict actions:** If the excessive absenteeism persists, then it's time for formal counselling. Depending on the nature of the business, counselling may come in the form of meetings with the immediate boss of the employee or an HR representative. Set down the standards for attendance, and the severe implications of job absences that are not excused.

- **When required, call in the pros:** Contacting an HR specialist while employees are unavailable due to a health problem or personal medical emergency can be prudent.

With these steps in mind, you will help keep a check on excessive absenteeism and make your business a workplace that is much happier and more productive.

10.3 ACCIDENT PRONE AND MALADJUSTED EMPLOYEES

The term accident proneness was coined by psychological research workers in 1926. Since then its concept—that certain individuals are always more likely than others to sustain accidents, even though exposed to equal risk—has been questioned but seldom seriously challenged. A recent hypothesis of accident causation, namely that a person's accident liability may vary from time to time, is outlined, and the respective abilities of this and of accident proneness to accord with data from the more reliable literature are examined.

Accident proneness theory maintains that some workers are more liable to be involved in accidents. This theory is not generally accepted and researchers have not been able to prove the existence of 'accident proneness'. However, there are reasons for high risks of workplace accidents and why some occupational groupings are more likely to be involved in accidents.

People who work night shifts are more prone to accidents because their reactions and concentration decline at night. Even employees who have been working less than two years at their place of work are more liable to have accidents than employees with more experience. Understanding the causes of accidents and establishing a safety management system (risk assessment) could help to prevent accidents at work.

The following may be the two of better known definitions of the accident proneness, the first is an original formal statement of concept, whereas, the second one is a more recent formulation. Accident proneness can be said as personal idiosyncrasy of a relative permanence predisposing an individual to higher rate of accidents. The accident proneness means that even on exposure to similar condition certain people are likely to experience more accidents than the others, or that the people differ fundamentally with respect to their innate propensity for the accidents.

According to Cameron (1975), the following should be kept in mind in relation to accident proneness:

- The accident proneness is a personality trait or a syndrome. Most of the proponents regard it as unitary trait.
- The accident proneness is very innate or is inherent.
- The accident proneness is stable across the time.

- Accident proneness trait 'causes' the workers to be involved in the accidents.
- The workers with an accident proneness trait are involved in the repeated accidents.

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Hundreds of studies have been conducted and published till date on accident proneness. On evaluating the research, it is quite clear that a key criterion is not supported. The first one, the determinants of the accidents have been multiple, with only a specific part attributable to the personality. Second one, the number of the personality traits, some being unrelated to each other, are associated with the accidents. The third one, people very rarely, if ever, consistently have the repeated accidents throughout the span of their lives.

Certain personality traits have been strongly related to an occurrence of the accidents. Rather than searching the underlying accident proneness trait, the focus normally shifted to a description of how the accident-prone individuals are any different from the ones without the proneness.

10.3.1 The Introversion-Extroversion and the Accidents

A bipolar personality dimension of the introversion–extroversion (hereafter, I-E) as proposed by Eysenck (1947) had been investigated in connection with the accidents much more than any other personality dimension. Introversion–extroversion is in continuum with the introversion and is defined as 'the person's preference for attending to his inner world of an experience, with emphasis on the reflective and introspective thinking. Extroversion, on the other hand, refers to the 'preference for attending to outer world of the objective events with the emphasis on an active involvement in an environment'. An introvert may be described as a person who is silent, intellectual, organized and also emotionally controlled. On the contrary, an extrovert is a person who is sociable, lively, novelty-seeking, carefree and emotionally expressive.

Eysenck (1962, 1965, 1970) and Keehn (1961) have proposed that the higher accident rate is associated more with an extrovert than with an introvert. This could be expected because of the extrovert's 'lower level of vigilance' (Eysenck, 1962). In other words, though an extrovert is actively involved with an environment. On the contrary, an introvert places much greater value on being in complete control of his interactions with the world. Therefore, an introvert tends to be much more 'vigilant' or careful while doing things.

Aggression and accidents

Aggression may be defined as a broad characteristic and thus ranges from hostility of social argument to assault and battery. A common factor underlying this particular range of behaviour is most likely a tendency to give vent to anger and some frustration to a particular degree. Most studies have shown that the aggression appears to be a part of the constellation of the traits which are consistently related with the accidents and the injuries (Shaw & Sichel, 1971). In the attitude study on the accident-incurring drivers, Goldstein and Mosel (1956) had discovered that

one of their distinguishing characteristics was an aggressive attitude toward the others. Many studies have proved that higher level of a general aggression as measured by the interviews and the personality tests have correlated highly with an occurrence of the traffic accidents.

General social maladjustment and accidents

The social maladjustment is a general category of the behaviours and also the personality characteristics which have generally been found in combination with the other, which have been constantly associated with the higher accident rates. They include the following—the sociopathic attitudes and the past behaviour, delinquency and law breaking, marital/familial strife, disregard for other people, immaturity emphasis upon exaggerated masculinity (for males), hostility and anger, irresponsibility, superficial social relationships, self centeredness, problem drinking and authority problems.

In the related study of industrial workers, Wong and Hobbs (1949) have concluded that a similar list of the factors differentiated the brewery workers with a poor accident record from the ones with no accidents. In the light of the characterological nature of social maladjustment, the authors have concluded that the 'accident tendency was a lifelong characteristic, and also it appears to invade all the aspects of life'.

The two best studies in this field were conducted on the automobile drivers by McGuire (1956b, 1972). The two groups containing the sixty-seven drivers were matched carefully on the basis of age, driving experience, number of miles driven, educational background and marital status. There was one group which was composed of the drivers with at least one accident during the past three months, whereas the drivers in another group were without any traffic accidents at any given time. The many personality tests which have been given described the persons met with the accidents as being less mature, experiencing a negative attitude towards the laws and authority, and usually having poor social adjustment. In the follow up study, McGuire (1972) replicated the so mentioned findings. In addition to this, he found the people who had met with the accidents to be much more traditionally 'masculine', frequently express their hostile feelings, having chaotic family relationship and prefer non personal contact with others.

Neurosis and accidents

Eysenck's proposal that extroversion is associated with the accidents was accompanied by a hypothesis that the neuroticism is correlated with the accident occurrences (Eysenck, 1970). The others have echoed the same belief in this regard (McFarland, 1957; Tillman & Hobbs, 1949). A neurosis is distinctive from the social maladjustment by virtue of a subjective emotional distress experienced by an individual with a neurotic condition. This kind of distress is normally accompanied by the lower self-esteem and lower confidence. In contrast to the neurotic characteristics, these social maladjustment traits are normally much more

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troubling to the other people than to an afflicted individual. A connection between the accidents and the neurosis is fairly evident if an intervening variable of 'an attention to the task' is inserted.

Contrary to the psychoanalytic thinking where the accidents are unconsciously willed as the self-punishment by a neurotic person, then it is likely that the neurotic condition causes the person's attention to be diverted from a task being carried out to a person's unpleasant physical or the psychic symptoms. For instance, an anxious person strives hard to control his internal anxiety and his panic, giving lesser attention to details of a safe performance. A depressed person may be preoccupied with his own internal world of the ruminations and not with exigencies of an external world.

The research investigating the neurotic aspects of a behaviour and its effect in relation to the accidents has either focused on specific neurotic symptoms like the anxiety, depression, or the psychosomatic tendency, or has assessed an overall degree of neurosis in a person. Many studies have related general neurosis variable to the accidents. On the whole, the research is contradictory and also confusing. Many studies have found that the drivers with the accidents were found to be more neurotic than the drivers without accidents. On the whole, the current state of the research suggests that the impulsivity is a human trait constantly associated with the accidents.

Risk taking and accidents

It is common belief that several people who meet with accidents do so as they take much greater risk than the people who do not meet with accidents very often.

Though, validity of this particular conclusion is difficult to test. One such study that made an attempt to test the belief was done by Evans and Wasielewski (1982). They observed 2,576 (two thousand five hundred and seventy six) drivers' rush-hour driving behaviour and further rated each and every driver to a degree of the risk exhibited (for example-tailgating, speeding, the dangerous lane changes or the passes). Using the license plate numbers, the record of accidents involvement and the moving violations were obtained for every driver. The authors had discovered that those drivers exhibiting a risky behaviour also had considerably greater number of the accidents and the tickets than the 'safe' drivers.

10.4 EMPLOYEES WITH FAMILY PROBLEMS, ALCOHOLISM AND DRUG ADDICTION

We often have life events that sometimes divert us from work—an ailing family member, a divorce, the loss of a relative. Under these times you can't expect anyone to be at their best. But what would you do as a manager? How can you support the person to emotionally take care of themselves while also ensuring that they do their work. Offer concrete examples of inappropriate conduct when

confronting an employee whose personal issues affect his or her job efficiency, and make explicit the employer's expectations for change. Bringing these matters to the attention of the employee in a manner concerned will likely enable him or her to realize how personal issues adversely affect working relationships and job performance. One discussion may be enough to fix the problem but an employer may choose to discuss other solutions based on the situation.

10.4.1 Employees with Substance Abuse Problems

Employee impairment from drug or alcohol use and other substance addiction leads to huge risks in the workplace at the production level. A momentary lack of concentration caused by illegal drug or alcohol dependence can result in serious and permanent consequences: physical harm, collateral destruction, or even death. Like so many areas of labour and employment law, the employer needs to exercise caution when addressing impairment and substance abuse.

If there is one real lesson, this is the following: Employers should generally address substance abuse by addressing the effects it has on the performance and behaviour of an employee (for example, absenteeism, workplace disappearance, failure to meet production standards). Employers, in contrast, should typically avoid making judgements or taking action based on the alleged or self-claimed status of an individual as a "addict" or a person with an problem.

10.5 UNDISCIPLINED EMPLOYEES

There appears to be at least one person in every organization saping morale, reducing productivity, and sparking frustration in other team members because of their poor attitude, failing to abide by the law, or just plain upsetting behaviour. A difficult or undisciplined worker is not just a problem for one worker or another. If one person makes the company's life difficult, then dissatisfaction can fester and become a constant distraction. The air of discontent impacts all, which can lead to a drastic decline in morale and other employees' departure. If handled properly, you have the potential to resolve the crisis and get the team back to productivity.

Unfortunately, dealing with undisciplined workers is an unfortunate part of the profession and it is better to address the problem early on rather than later. Following is a five-step strategy that will help you overcome certain issues diplomatically and effectively:

- **Don't neglect the issue:** Don't expect that the problem will go by itself. Ignoring it would only make the matter worse. Although few people love conflict, there is no way you can encourage an employee to wreak havoc on your workplace. If you are perceived as ignoring an undisciplined employee, some of your top employees may resign. Moreover, if an employee is argumentative and rude to peers, then they could very well take the same approach with your clients.

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- **Depersonalize the conversation:** The way you communicate with the employee is crucial to your performance. Build a safe and relaxed atmosphere in your meeting, in which the employee is welcome to share what they experience. Do not negatively comment or make accusations. The last thing you want to do in a tense discussion is to berate them for their misdeeds and suggest them to stop. Demonstrate that you understand but you are there to fulfil the organization's targets as well.
- **Don't make assumptions:** Don't rush to conclusions. Have a discussion endeavouring to learn. Find out if they're aware of their behaviour and its impact on the team when you open a dialogue with the person. If not, give specific examples tactfully which illustrate why you found this meeting necessary. Uncover the root cause of the actions of the person, and seek to fix the problems.
- **Recommend improvements:** Once you identify the problem, you can suggest appropriate tools and resources. First, ask them to express what support they need in order to improve their conduct. Remind the employee that a portion of their job performance is assessed by how well they add value to the success of the organization. Any suggestions should be unbiased, observable, realistic and beneficial.
- **Monitor the progress:** You must now step back and monitor the progress of the individual. Set measurable objectives and timeframe for their completion. How often you track their development should be adapted to the process as well. If the unwanted behaviour continues, then consider disciplinary action. If human resources are not already involved, then now is the time to loop them in.

Check Your Progress

1. What are the causes of chronic absenteeism?
2. Why are people working night shifts more accident prone?
3. How can managers deal with employees with family problems?
4. Why is it necessary to deal with undisciplined employees?

10.6 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The causes of chronic absenteeism can include personal or family illness, disability, family or professional responsibilities, occupational mistreatment, excessive workload, intimidation, fatigue, lack of commitment, job search or family circumstances.

2. People who work night shifts are more prone to accidents because their reactions and concentration decline at night.
3. Managers can deal with employees with family problems by offering concrete examples of inappropriate conduct when confronting an employee whose personal issues affect his or her job efficiency, and make explicit the employer's expectations for change.
4. It is necessary to deal with undisciplined employees because if one person makes the company's life difficult, then dissatisfaction can fester and become a constant distraction. The air of discontent impacts all, which can lead to a drastic decline in morale and other employees' departure.

10.7 SUMMARY

- It is considered chronic absenteeism when a person is regularly absent from work. This may be a breach of an employee's contract, and may result in suspension or termination of employment.
- The term accident proneness was coined by psychological research workers in 1926. Since then its concept—that certain individuals are always more likely than others to sustain accidents, even though exposed to equal risk—has been questioned but seldom seriously challenged.
- The social maladjustment is a general category of the behaviours and also the personality characteristics which have generally been found in combination with the other, which have been constantly associated with the higher accident rates.
- We often have life events that sometimes divert us from work—an ailing family member, a divorce, the loss of a relative. Under these times you can't expect anyone to be at their best.
- Employee impairment from drug or alcohol use and other substance addiction leads to huge risks in the workplace at the production level.
- A difficult or undisciplined worker is not just a problem for one worker or another. If one person makes the company's life difficult, then dissatisfaction can fester and become a constant distraction.
- Unfortunately, dealing with undisciplined workers is an unfortunate part of the profession and it is better to address the problem early on rather than later.

10.8 KEY WORDS

- **Accident Causation:** It refers to the factors that are the primary reasons behind an accident. For occupational health and safety professionals, determining causation factors in any workplace injury or accident is a key.

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- **Depersonalize:** It means to treat someone as if they do not matter because their individual feelings and thoughts are not important.

10.9 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What are the critical requirements to be called accident prone?
2. How can employees with substance addiction be harmful to organizations and how should they be dealt with?
3. How are risk-taking and accident proneness related?

Long-Answer Questions

1. Explain the ways to deal with chronic absentees.
2. Discuss how introversion-extroversion play a role in accident proneness.
3. Describe the strategy that will help in dealing with undisciplined employees.

10.10 FURTHER READINGS

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UNIT 11 GROUP BEHAVIOUR IN ORGANIZATIONS

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Structure

11.0 Introduction
11.1 Objectives
11.2 Definition and Characteristics of Groups
11.3 Stages of Groups
11.4 Impact of Groups on Individual and Group Effectiveness
11.5 Determinants and Enhancements: Intergroup Interaction
11.6 Intergroup Conflict and Reduction Strategies
11.7 Answers to Check Your Progress Questions
11.8 Summary
11.9 Key Words
11.10 Self Assessment Questions and Exercises
11.11 Further Readings

11.0 INTRODUCTION

In this unit, you will study about the concept and characteristics of groups and also understand the various types of existing groups. In addition to this, the unit will also focus on the different stages of groups and the impact and influence of groups on individuals and group members. The unit goes on to discuss the meaning and characteristics of intergroup interaction and intergroup conflict as well as their reduction strategies.

11.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the concept of groups and identify the various types of existing groups
- Describe the various stages of groups
- Discuss impact of groups on individuals and groups
- Analyse the characteristics of intergroup interaction
- Examine intergroup conflict and reduction strategies

11.2 DEFINITION AND CHARACTERISTICS OF GROUPS

A great amount of our time is spent in group interactions. In our lifetime, we join a number of groups. The membership to some groups is mandatory whereas others

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are undertaken voluntarily. Work groups become the major channel for achieving organizational goals (Yammarino and Dubinsky 1990). Groups also satisfy personal needs for friendship, self-esteem, and identity (Ashforth and Mael 1989). A group can be defined as a collection of two or more people who meet regularly and influence one another over a period of time, perceive themselves as a distinct entity distinguishable from others, share common values, and strive for common objectives (Shaw 1981). When members of a group subscribe to common values, beliefs, and objectives and when there is a high level of agreement between them on these matters and how best to achieve the objectives of the group, a state of cohesiveness is said to exist. Cohesive groups emphasize the need for close cooperation in order to complete different tasks in an effective way and to create conditions in which the personal needs of members are satisfied.

Types of Groups

In most organizations, several different types of groups are present. The major classification is in the form of formal groups and informal groups.

Formal Groups

A formal group is established by management and is expected to perform well-defined tasks to achieve organizational objectives. At the organizational level, formal groups help to accomplish complex, interdependent tasks and to create new ideas (Schein 1980). At the individual level, formal groups help to satisfy the person's need for affiliation, confirm his identity and enhance self-esteem. Formal groups are further classified into task groups and command groups.

- **Task group:** It is a temporary formal group that is established to solve specific issues. The example of a task group would include a curriculum revision committee in the university and a disciplinary committee constituted to look into specific disciplinary issues in the organization. The members of task groups do not have a reporting relationship, and the group comprises of people from different departments who possess complementary skills in the area of expertise required. As soon as the task is complete, the members disintegrate and revert to their original groups or organizations.
- **Command group:** It is a permanent group in the organization dictated by the structure of the organization. A typical command group comprises of a supervisor exercising his authority over a set of subordinates. Different departments like finance, sales, and human resources are examples of command groups. Most organizational objectives are accomplished by command groups.

Informal Groups

Informal groups grow out of the need for friendship, affiliation, companionship, and communication between people. The membership of this group is not defined

by the organization, but it is dependent upon the common values and interests shared by the employees. Some of the common examples of informal groups are "tea or coffee groups" and clubs. Members of this group are often found to be more powerful than the members of formal groups (Meer 1985). At the organizational level, informal groups aid in solidifying common social values and provide guidelines for right behaviour. They also help to provide a sense of identity and access to information. At the individual level, they satisfy the social and affiliation needs and may lead to enhanced feelings of self-esteem and status (Lunt 1991). Some examples of informal groups found in organizations are friendship groups and interest groups.

- **Friendship groups:** Friendship groups are based on common characteristics such as age, common values, and college affiliations. They help to satisfy the affiliation needs of the members. Effective managers try to maintain good relationship with these groups as they have tremendous influence on their members (Hussein 1989).
- **Interest groups:** These groups comprise of individuals who share a mutual interest and group together to try to achieve their objectives. These groups may not have any relationship with the formal task groups of the organization. For example, individuals who come together to fight for a common cause such as smoking or alcoholism form an interest group.

11.3 STAGES OF GROUPS

Groups are formed and developed through several stages. Once formed, working relationships develop within groups, some groups grow and mature, and others become stagnant. Different models of group development have been suggested. A few of these are discussed in this section.

Tuckman's Model of Group Development

A permanent group in its evolution has to pass through five distinct stages (Tuckman 1965). Each of these stages is identified with dominant task-related and maintenance issues. In a temporary group, a fifth phase is also added. These phases are:

1. **Forming:** The first stage in group formation is the inclusion of members in a group for a definite objective. The primary consideration during this stage is to focus on the task in hand and the utilization of resources to complete it. Members are just trying to know each other, to develop rapport. Most people are very cautious at this stage and each one is looking for guidance about how to go ahead. The search for the powercentre or leader also may begin at this stage.
2. **Storming:** As members receive clarity about the techniques of doing the job, there may be disagreements about the process involved, the way resources are being used, and their own lack of skills and abilities to do the

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job. Among the members themselves, there may be personality clashes, ego hassles, friction in the interpersonal relationship, inability to accept the leader's power, thereby creating some degree of dissonance among the group members. Members try to assert their own personal needs and requirements instead of accepting group influence.

3. **Norming:** As the differences begin to resolve, members develop mutual understanding and clarity with respect to the task in hand. There is an open invitation to exchange feelings and ideas which results in the acceptance of each other's opinions. Cohesion also develops at the social level. Members develop their own set of formal and informal norms (through consensus) and try to abide by these norms. There is an emphasis on harmony and mutual support. They start identifying with their group and make a conscious effort to avoid or handle conflict-producing situations.
4. **Performing:** As members develop norms for work and interpersonal relationship, solutions to the problems begin to emerge and constructive attempts are made to complete the job. Members relate with each other while performing the tasks with flexibility. Since interpersonal differences have been handled well, the energy of the group gets channelized in a positive direction, leading to effective and efficient performance.
5. **Adjourning:** This stage is more apparent in temporary groups, where the members have to abandon their membership in the group once the tasks have been completed. This stage creates a lot of mixed feelings in terms of excitement for being able to complete the task effectively and melancholy for terminating the existence of membership in the group.

Figure 11.1 is a presentation of Tuckman's model of group development. Tuckman's model is a linear model of group formation. Time is an important factor in determining the effectiveness of this model. If one tries to cover all the five stages in quick succession, it gives the impression of speed but most of the issues remain unresolved. These issues tend to go underground but are likely to surface later and hamper the functioning of the group. In practice, a number of stages may occur simultaneously, as when a group storms and performs at the same time, or regresses to a previous stage.

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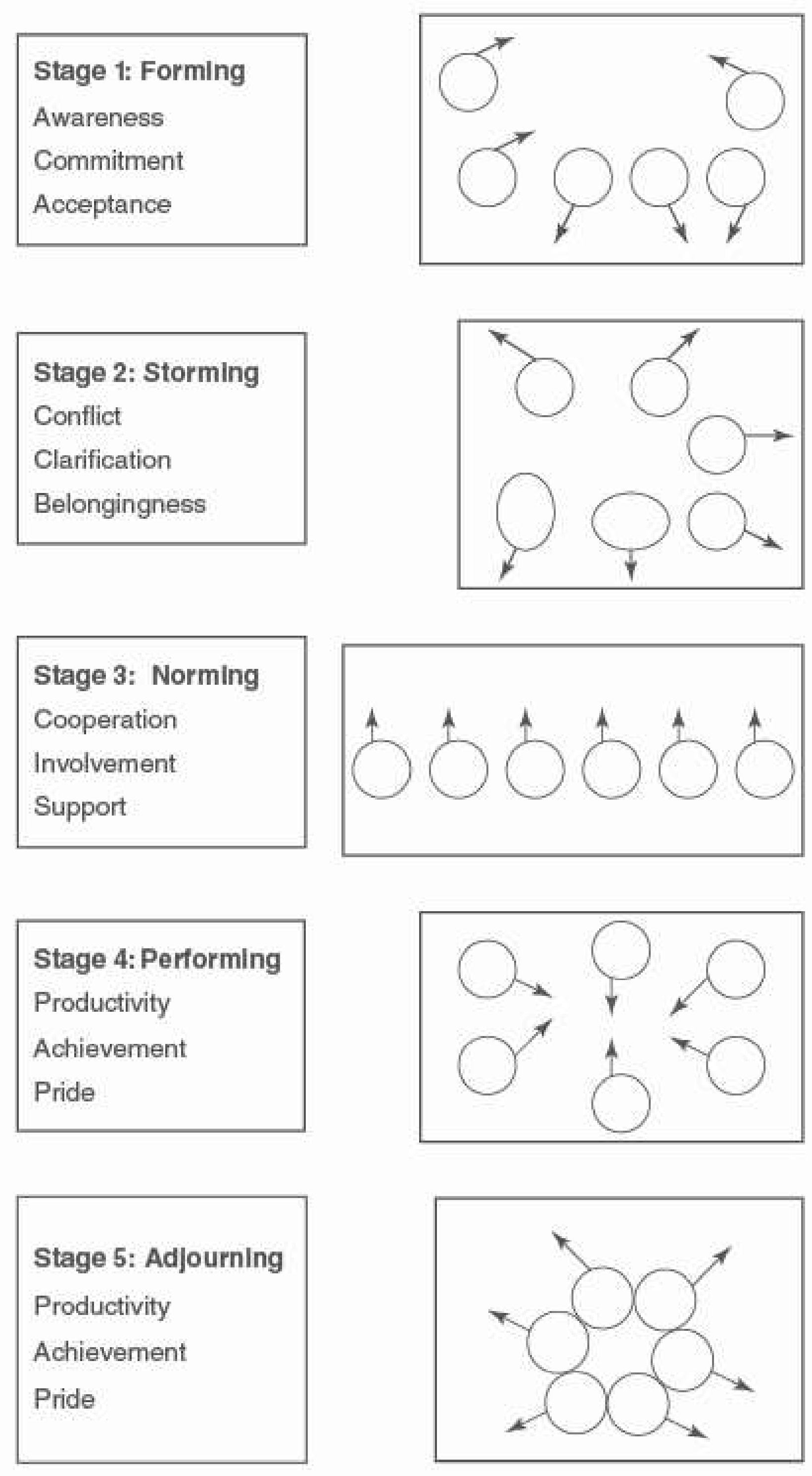


Fig.11.1 *Tuckman's Model of Group Development*

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Woodcock Model of Group Development

A slightly different four-stage model has been given by Woodcock (1979). The stages in Woodcock's model are as follows:

1. **Stage of lack of clarity:** This is a stage characterized by unnecessary level of authoritarian management and bureaucratic control. The objectives of the group are not very clear, and there is very low level of involvement of members in the activities of the group. There is very little amount of listening, feelings are not considered, and there are attempts to cover up the weakness.
2. **Stage of experimentation:** During this stage, the group plans to experiment and go ahead with risky ventures and considers wider options. People are allowed to express their personal feelings, with more concern and listening.
3. **Stage of establishment of rules:** In continuing with the second stage, the members become more methodical with agreed-upon procedures. Ground rules are established which are applicable to everyone.
4. **Stage of development:** The principles of stages 2 and 3 are continued. There is now in-built flexibility in the system and creative use of the energy of members. There is appropriate leadership, and the group is sensitive to the needs and requirements of the members. Principles are religiously followed, and this leads to the development of group activities.

Punctuated Equilibrium Model

Another approach to group development has been given by Romanelli and Tushman (1994). This model is characterized by the following stages:

1. **Stage of activity:** At this stage, there is a flurry of activity with the beginning of deliberations. There is an attempt to change old practices and introduce new ones.
2. **Stage of inertia:** The first stage is followed by a substantial period of inertia as the group is trying to put into action the plans that were made in the earlier stage.
3. **Stage of termination:** The last stage of development is aimed at finishing the tasks assigned, and this stage is again full of activities but in a defined direction.

This model combines the stages of forming and norming of Tuckman's model. Then there is a stage of low performance followed by storming leading to high performance. The group formation finally ends at adjournment.

11.4 IMPACT OF GROUPS ON INDIVIDUAL AND GROUP EFFECTIVENESS

Groupthink exists when pressures for conformity are so great that they tend to overpower the members' concern for realistic appraisal of the alternative course

of actions (Aldag and Fuller 1993). It has been observed that when consensus seeking becomes a dominant force, groupthink develops. Groupthink amounts to an unintentional erosion of one's critical faculties as a result of trying to adopt group norms. Under the influence of groupthink, members generally make decisions following the ideas and suggestions of the leader for the fear of being ostracized. They exercise a control on their freedom of thought. The internal environment of the group is very congenial without any altercation, giving a sense of we-feeling. The cohesiveness of the group is on the rise, which persuades individuals to accept whatever proposals are promoted by the leader or a majority of members (Neck and Moorhead 1995). Janis (1982) proposes a list of characteristics that can be ascribed to groupthink. Any group likely to exhibit any of these characteristic is prone to be experience groupthink.

- **Illusion of invulnerability:** The members of the group have a feeling of invulnerability. This feeling helps them avoid the dangers, which are likely to be present in the external environment. As a result, they fail to respond to any clear hearing signals. Groups have so much belief in the designed course of action that any information contrary to what they have accepted is rejected immediately. The group also tries to provide reasons for their inaction.
- **Illusion of unanimity:** This is a kind of misperception where members believe that their judgements are unanimous as they all subscribe to the majority view. This unanimity is generated when members tend to always agree with the influential figure or the leader in their department or group. This is an outgrowth of the feeling that if members respect each other, they will not disagree with each other or have differing view points. This can lead to serious errors of judgements. Members generally would not like to indulge in it as a minor disagreement could give rise to anxieties about the likelihood of making serious errors, and once the unanimity is broken, the group may never be able to regain the confidence. The onus, then, falls on the members to confront the uncertainties and assess the seriousness of the risks.
- **Belief in the rectitude of the group:** A group experiencing groupthink is likely to develop an unquestionable belief in the morality or self-righteousness of the group. The members are likely to ignore the ethical or the moral issues related with the decision. A management group, which has taken a decision to layoff certain employees in order to reduce the cost to the company, believes the decision to be ethical and justifiable. If an individual tries to offer a contrary viewpoint, the rest of the members snub him. Attempts are made to tame this person and not permit him to go ahead with questioning and doubting the management's action.
- **Negative views of the competitor:** There is a tendency to subscribe to negative, stereotyped views about the leaders of enemy or competitor groups. It is the prevailing attitude of mind supporting the view that leaders are either too weak or stupid to meet the challenges of the in-group. This can often be found in organizations competing for scarce resources, and in

the external context, when policy-making groups make certain assumptions about the quality of the company's competitors.

- **Sanctity of group consensus:** Members try to keep away from the situation when there is a deviation from the group consensus. Even if there is an element of doubt, members try to convince themselves of the lack of substance in these doubts.
- **Erecting a protective shield:** Members try to create a false protective shield around them to keep away from adverse information that may shatter their belief about the morality and the effectiveness of their decisions. As and when a doubt is raised, the leader of the group will retort by questioning the legitimacy of the assumptions underlying it or ensuring that insufficient time is devoted to discussing it, finally concluding by declaring the original decision to be the best decision.

Consequences of groupthink

There is very little discussion and evaluation of alternatives in situations of groupthink. There is, generally, no realistic assessment of the cost incurred or the gains expected out of the alternatives rejected or accepted. No serious attempt is made to obtain the views of the experts on the issues under consideration. There are no contingency plans available in case there is failure because of issues, such as bureaucratic inertia, mistakes or subtle political manoeuvring by the opponents, which could pose a threat to the successful outcome of the course of action chosen.

Counteracting groupthink

Because of the dysfunctional consequences of groupthink, a number of steps have been suggested to combat and manage groupthink effectively. Some of these are as follows:

- **Encourage critical discussion:** As a leader or the influential member of the group, one should place a high priority on an open discussion of doubts and objections when it is appropriate to be sceptical. The leader should also be prepared to accept criticism for his judgements so that members do not resort to unwilling consensus.
- **Exercise impartiality:** The leader of the group should exercise impartiality from the beginning of the group activity and avoid stating preferences and expectations with regard to outcome. The leader also should try to have a realistic appraisal of all alternative courses of action and encourage members to offer suggestions so that a quick and incomplete evaluation of alternatives does not result in the ineffectiveness of the decisions.
- **Reappraise the first decision:** After a decision has been taken, allowing the members to rethink and report back later helps to clarify certain cloudy issues. Exposing the problems to the outsiders with different special interests from those of group members and asking them to challenge the group's

assumption and content also helps gain a newer and, maybe, a better perspective to the decision.

- **Break groups into subgroups:** Breaking the groups into subgroups helps to examine the feasibility and effectiveness of the proposed policy alternative. This also helps in providing more options to work with, thus arriving at a better solution.
- **Keep a check on the competitor's reaction:** Try to monitor information provided by the competitor group and develop alternative models of the rival group's intention.

11.5 DETERMINANTS AND ENHANCEMENTS: INTERGROUP INTERACTION

Intergroup interactions means communication or connection between individuals in different social groups, and also to the interactions scheduled between the groups themselves collectively. It has long been a subject of research in social psychology, political psychology, and organizational behaviour.

In 1966, Muzafer Sherif, Turkish social psychologist, proposed a now-widely recognized definition of intergroup relations: 'Whenever individuals belonging to one group interact, collectively or individually, with another group or its members in terms of their group identification, we have an instance of intergroup behaviour'.

Research on intergroup relations incorporates the study of various psychological phenomena related to intergroup processes including social identity, group dynamics, prejudice, and conformity among many others. Many notable figures have given their contribution in research in this area and continues to provide pragmaticinsights into modern social issues such as social inequality and discrimination.

11.6 INTERGROUP CONFLICT AND REDUCTION STRATEGIES

Team spirit allows the company to produce better products at lower costs. It helps individual employees to develop skills and experience. Many organisations have developed useful teams for effective and efficient performances. Teams become more flexible and responsive under changing situations. They are developed, deployed and disbanded as per the needs of the organisation. Employee-members of the team develop a positive attitude and involvement. Employee's morale and spirits are increased and maintained under team performance.

A team is different from a group. A group includes two or more individuals, who are interacting and interdependent, to achieve group objectives. A work group primarily shares information and decisions. They do not get synergy because they

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do not engage themselves in collective work, whereas a work team generates positive synergy as they perform the job collectively. They coordinate their efforts. A work team has collective performance, positive attitudes, individual and mutual understanding and complementary skills. Work groups only share information, as individuals are neutral. The team is more concrete than the work group. A team aims to increase performance and potential for the organisation. Teams ensure organisational performance.

Types of Teams

Teams are developed to achieve certain objectives. Therefore, they are classified into problem-solving teams, self-managed work teams and cross-functional teams.

- *Problem-solving teams* Problem-solving teams join together for solving a problem. To discuss the problem and find solutions. They improve their work quality and work environment. They share ideas or offer suggestions on how to improve the work standard and solve the problem. Since they have jointly suggested some measures, they willingly implement those suggestions. They also share responsibilities as they implement the corrective actions.
- *Self-managed teams* Self-managed teams collectively control their work, assignments, choice of procedures and so on. Such teams select their own members who evaluate the performance of each member. Supervisory staff is redundant under such an arrangement. In big business houses in India, teams sit together and take important decisions which are immediately implemented by them. They schedule the work, authorise the people and perform the job. They establish production targets, set pay scales and decide on training programmes. Self-managed teams have successfully demonstrated their capacities. They have achieved self-satisfaction. Quality employees remain with the organisation and less qualified people have to leave their jobs, as they are not able to cope with the spirit of self-managed teams.
- *Cross-functional teams* Members of cross-functional teams come from the same hierarchical level, but from different functional areas. A task force is one example of a cross-functional team. People from diverse areas who are of the same cadre join together to find out operational solutions. They develop new ideas and solve the problems. Members learn to work with diversity and complexity. They build trust and confidence.

Determinants of Team Performance

The performance of a team depends on the size of the work team, the abilities of members, allocation of roles and promotion of diversity, commitment, specific goals, leadership, social loafing, reward systems and mutual trust.

- *Size of teams* A smaller sized team increases the performance possibilities. A larger size does not help cohesiveness, commitment and mutual

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understanding. When a team is larger, groups are broken into sub-teams. The sub-teams perform the job better than a larger number of people in the team.

- *Abilities of members* Technical and managerial skills ensure the performance functions. More technically qualified people can perform the job in a more systematic and effective form. Managerial expertise helps to solve problems easily. Teams help feedback, conflict resolution and development of interpersonal skills.
- *Allocating roles* Teams have different needs which are to be fulfilled for the satisfaction of team members. Each member has to perform his roles which are allocated on the basis of personalities and preferences. Team members are allocated specific jobs and performances. The role may be that of a creator, imaginator, explorer, thruster, comptroller, controller, reporter, linker and inspector. Each of these roles has to be performed by the members.
- *Commitment* Team members have common and meaningful purposes of performances, direction and commitment. They spend sufficient time and effort for discussing and agreeing on the collectively made decisions.
- *Specific goals* Specific goals clearly demonstrate functions which are measurable and realistic. Goals energise teams and facilitate clear communication. Innovative ideas are developed through goals.
- *Leadership* Leadership is needed to achieve objectives through the high performance of the teams. Unified action requires defining and agreeing on a common approach to goal achievement. Each member contributes equally to performance. The leader decides on the schedule, skills and cooperation needed for team performance. He resolves conflicts and makes team members agree for common goal achievement.
- *Social loafing* Social loafing is possible in group action because an individual gets opportunities to hide his skills. Individual action is not identifiable in group performance. A person who is not interested in the team performance can avoid action. Loafing is avoided only through developing a team spirit and determining of joint accountability. A team succeeds if social loafing is avoided by team members.
- *Reward systems* The team decides on group-based evaluation or performance for rewarding team members. Individual contributions are not assessable. Team performance is appraised by developing a suitable reward system. Profit sharing and gain sharing are modified with context to the team performance.
- *Mutual trust* Mutual trust is the backbone of team success. Mutual trust depends on competence, integrity, consistency, loyalty and openness. Great performances have been achieved through high mutual trust. It is well known that trust begets trust and distrust begets distrust. Therefore, it is essential to

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create and develop mutual trust for the success of the team. There is onerous responsibility on the leader to maintain mutual trust. He has to be a team player, fair, consistent, confident and competent. The mutual team spirit is also dependent on the members' qualities as mentioned above.

Intergroup behaviour involves people's actions, reactions and differences. When groups interact, there is a possibility of intergroup conflict. An organisation includes diverse and dynamic groups which are interrelated and interdependent. When they exercise their powers, intergroup conflicts become inevitable. If power is properly used, there will be positive outcomes and the chances of conflict are minimised, but in practice many people exercise their power without caring for the interest of other groups. Differences in opinion and philosophy create conflict. Dysfunctional factors are also responsible for conflicts. Incorrect bases of compliance and power involvement are often witnessed in different groups in an organisation. Conflict is an inevitable consequence of group interactions. Sources of conflict are identified and resolved accordingly. Since there are different views about group conflicts, they are classified under traditional and contemporary philosophies. The traditional approach believes that conflict is the result of failure of leadership. The conflicting parties should be separated to resolve the conflicts. The contemporary approach believes that differences are inevitable when groups are interacting. Problem-solving approaches are used to resolve the conflicts. Intergroup conflict is discussed under sources, effects and strategies of resolving intergroup conflict.

Sources of Intergroup Conflict

Intergroup conflict arises basically because of goal incompatibility, decision-making requirements and performance expectations. Time and goal orientation and barriers to goal achievement are included under goal incompatibility. Task uncertainty and resource limitations influence decision-making requirements. Interdependence creates performance expectations.

- *Goal incompatibility* When group activities are not properly directed, goal incompatibility arises. The evaluation process is also not properly directed. The difference between the time of one group and the time of the other group to achieve the goal creates conflicts. One group views the goal of the other group as preventive and this is a barrier to goal achievement.
- *Decision-making requirements* Interacting groups face two problems, viz. task uncertainty and resource allocation. Different views and information are found under task uncertainty. Major resources may be captured by one group, while other groups have scant resources. The perception conflict may also create conflicts, although there is no unequitable distribution of resources for performance. Withholding information, disruptive behaviour and other activities may cause conflicts in related groups.
- *Performance expectations* The performance of one group may cause friction in another group. The friction may occur at subsequent performance

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or at parallel performance. The conflicts caused by performance expectations are due to the interdependence of work. As has already been discussed, the interdependence may be due to pooled, sequential and reciprocal functions. When one group fails to perform what is expected from it, other interrelated groups are also influenced accordingly.

Effects of Intergroup Conflict

The effects of intergroup conflict are witnessed in the form of changes in performance and goal achievements, which may be observed in each group and between each group.

- *Changes within each group* The changes in each group are visible under cohesiveness, task orientation, emphasis on organisation and autocracy. The cohesiveness is disturbed if personal interests clash. On the other hand, if personal interests are to be served, the members of the group will unite against the managers to pressurise them to meet their demands. Task orientation leads to differences with other groups, which creates competitiveness. It helps task consciousness and better performances. In order to achieve uniformity, an organisation lays emphasis on rules, procedures and responsibilities. People require conscientiousness and leadership. If the leader becomes autocratic, conflicts are enhanced.
- *Changes between groups* The conflict increases hostility and negative attitudes. Interaction and interdependence diminish along with increase in conflict. The group performance declines and the objectives of group behaviour are not achieved. Negative attitudes only harm people without benefitting any group.

Group conflict lessens the productivity and profitabilities of the organisation.

Strategies for Resolving Intergroup Conflict

An organisation adopts different strategies for resolving intergroup conflict through avoidance, defusion and confrontation.

- *Avoidance* The causes of conflict are avoided by a separation strategy, which includes non-attention, physical separation and limited interaction of the groups. Non-attention means totally avoiding or ignoring the dysfunctional situation. Non-attention helps resolution of conflicts by the passage of time. Physical separation helps avoidance of the causes of conflict because the groups do not get an opportunity to fight with each other. Only limited interaction is permitted in case the groups have differences.
- *Defusion* Defusion involves smoothing out of the situation and compromise. Smoothing emphasises on the similarities of the groups. Sentiments are put together. Compromise is a give and take strategy. It helps to fulfill the interests of the group. Compromise is a more practical strategy to resolve conflicts.

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- *Confrontation* Confrontation is the last strategy used to arrive at certain decisions. The warring groups are asked to express their viewpoints. A mutual understanding is developed, the subordinate–superior relationship is emphasised, and problem-solving meetings are organised. All the groups having differences are brought together to express their opinions and reveal the causes of conflict in the meeting.
- Intergroup conflict is considered inevitable, as group interactions are essential for organisational performance. The ideological differences make or mar their performances. Conflict is functional or dysfunctional. If it is helpful for achieving organisational goals it is functional; and when it is detrimental to achieving the goal, it becomes dysfunctional. The differences caused by personality and leadership give negative results to the organisation. Intergroup conflict is caused by goal incompatibility, differences in decision-making requirements and performance expectations. Goal incompatibility is observed because of time and goal orientation and barriers to goal achievement. Decision-making differences are created because of task uncertainty and the non-availability of resources. The interdependence of the groups creates performance differences. The conflict is treated through avoidance, defusion and confrontation. Intergroup conflict is fully discussed in the previous chapter on inter-group behaviour.

Intra-individual Conflicts

The management tries to achieve the goal through motivation and cooperation of all employees. Employees are expected to perform their respective roles. However, in reality, employees having different needs and roles are unable to cooperate with the management. There are positive and negative aspects of goal compatibility which cause conflicts. Intra-individual conflicts arise due to frustration, goals and roles.

Conflict due to Frustration

Frustration occurs when expectations are not fulfilled. There are several barriers to achievement of desired goals. These barriers create frustration. Employees react to the barriers and resort to aggression, withdrawal, fixation and compromise techniques. The expectation arises out of a need deficiency. When employees feel the need, they develop drives to achieve the goal after overcoming the barriers.

Barriers The drive to achieve the goal is reduced by barriers which may be overt and covert. Overt barriers are outward and physical. They influence the goal achievement process and create frustration. Similarly, covert barriers are inward and mental. Learning helps reduce covert barriers.

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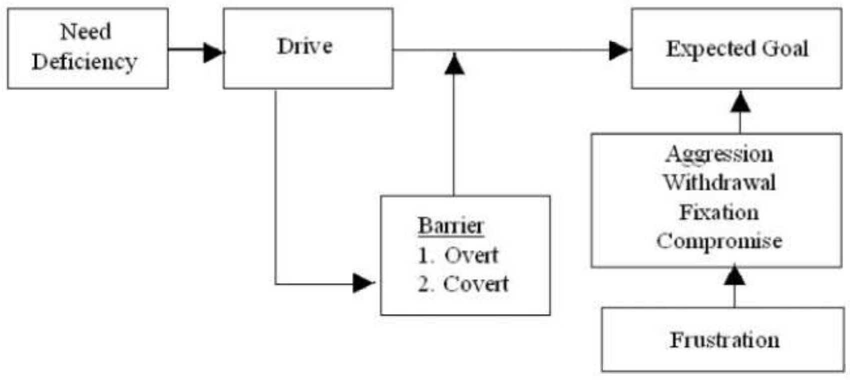


Fig. 11.2 *Frustration and Barriers*

Defence mechanisms The employees resort to defence mechanisms for reducing the impacts of barriers. First, they blame the barriers and abuse them for non-achievement of the goal. Secondly, they withdraw from the barriers and become restless to achieve the goal. Thirdly, they fix the goal and try again to attain the goal. Fourthly, they compromise with the situation if they are unable to achieve the goals, and satisfy themselves with whatever is achieved.

Frustration leads to non-compliance of the job and non-achievement of the goal in the beginning. If employees are motivated to reduce the frustration, they try harder to overcome the barriers. They direct their functions towards achievement of the goals. Frustration is unhealthy only when it dominates the person concerned. Frustration should not power or over-power the employees, otherwise they are led to non-performance. Frustration should develop the adjustment process. People should try harder to overcome frustration and the causes of frustration, i.e. barriers to the goal. Thus, frustration may be positive as well as negative when attempting to achieve organisation goals.

Goal Compatibility

Employees face intra-individual conflicts on account of goal incompatibility. Frustration arises where a single motive is blocked before the goal is achieved; and in goal conflicts, two or more motive are blocked in the process. Goal conflicts are witnessed in approach-approach conflicts, approach-avoidance conflicts and avoidance - avoidance conflicts.

- *Approach-approach conflict* The approach - approach conflict relates to two or more positive but exclusive goals. The approach-approach conflict is a case of cognitive dissonance. It is a state of psychological discomfort. Persons motivated with dissonance are highly motivated to reduce or eliminate it. The choice between two goals becomes more difficult. It causes goal conflict.
- *Approach-avoidance conflict* In the case of approach-avoidance conflict, both positive and negative characteristics are observed. Individuals are

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sometimes motivated to achieve the goal, and at other times are motivated to avoid the goal. When approach-avoidance takes place, the employees are anxious to take corrective decisions. Internal conflicts and stress are visible in such cases. Approach-avoidance conflicts create health problems for employees.

- *Avoidance-avoidance conflict* The avoidance-avoidance conflict reveals two or more negative but mutually exclusive goals. It is easily resolved. Many employees avoid the goal achievement approach in the case of goal incompatibility. People may leave the organisation if they are unable to get an adequate salary. It is an example of avoidance conflict.

Goal conflicts are used to motivate people. When the realised conflicts are resolved, people are motivated to achieve goal through the building up of compatibility.

Role Conflicts

Role ambiguity is another cause of intra-individual conflict. People play their respective roles in an organisation as per their status and cadre. An employee has also to perform different roles outside the organisation as father, son, teacher, friend and so on. Considering the different roles to be performed in and outside an organisation, it becomes difficult for an employee to perform all the roles successfully. Conflicts are bound to arise. Organisational roles are more important than multiple individual roles in organisational behaviour. Many a time, employees are unable to understand clearly their respective roles. They perform whatever they find convenient. Expectation from the employees to perform their role also creates conflicts because expectations may not be fulfilled. Employees expect that their supervisor would be a kind-hearted and helpful man, but he may believe in controlling all the employees by his crude behaviour. The supervisor has to satisfy his manager as well as the employees. His job involves interrole conflict. He has to perform the jobs of a manager and an employee. He feels ambiguous while playing his role, which causes interrole conflict. Role ambiguity is accompanied with role authority. The supervisor for example, is unable to understand his authority to discharge his duties. The role ambiguity creates conflicts which are resolved initially by making the employees aware of their roles, helping them in acceptance of conflicting pressures and increasing their ability to tolerate stress through personality development.

11.6.1 Problems of Integration

The strength and weakness of a group are assessed to make group dynamics a strong force. The support for decisions is given by expert persons in their meetings. The group arranges meetings of people to carry out the cause of action effectively. Group discussions help understand each other. It carries more weight for the group as well as for the outside people associated with the group. Decisions are free from individual bias.

Strength

Groups are effective problem solving tools. Groups have greater expertise, more information, risk avoidance and motivational factor. The group decision has the capacity of being accepted by the group members. The group members accept the correct decision and reject the incorrect decisions. Group decisions are free from individual prejudices.

The group decisions are more qualitative than individual decisions. Group members act and interact with quality information. They get opportunities of self-development as group interaction provides a platform for learning. Ideas are originated, reformulated and analysed. Social facilitation is possible because hard decisions are frankly taken, as no one will be pressurised for not taking strong decisions. Group decisions provide maximum opportunities of developing group dynamics.

Increased participation is feasible. Role modeling helps others to grow. Unanimous decisions motivate people to implement their own decisions. It provides opportunities of suppressing the weaknesses of the group. Frustrations are avoided as members help each other. Consensus is the basic tenet of group success. Organisational progress, participative advantages, integrating interest, improving decision-making, motivating members to carry out course of action, encouraging creative thinking, broadening perspective and making positive attitudes are the important strengths of group behaviour which gives birth to group dynamics in an organisation.

Weaknesses

Group members are exposed to reveal their weaknesses if they are not trained and controlled. Group loafing is witnessed under such a situation. Such unproductive and non-contributory members get the opportunity to survive. They instigate other members to be lethargic and ineffective. The group has weaknesses of slowness and expensiveness, group think, polarisation, escalating commitment and divided responsibility.

- *Slowness* The group members are slow because the responsibility of everyone is taken as the responsibility of none. Committees and meetings are organised without getting any fruitful decisions. Time and money are wasted. People purely enjoy the meeting without seriously taking its functions. Individual decision is more appropriate for a quick and prompt decision. Individual competence is more suitable in arriving at group decisions too. The leader acting as a competent commander has been more effective than the controversial group members.
- *Group think* When the group decision is brought down to individual thinking, it is called group think or levelling effect. It happens when a group fails to critically examine its own decisions and assumptions. Pressures are built by

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some individuals on the rest of the members to come at group thinking. Dominant persons having authority and vocal power control the wishes of other members who submissively accept the former's views to avoid any controversy in the group. Group think is not the real decision of the group but is the acknowledged wish of the higher-ups and dominant members. It lowers the quality of group thinking. Many group members unite together and put forth concrete arguments against group think.

- *Polarisation* Some members of the group form concrete groups. They develop their own likings and dislikings. Caste, creed, education and sex are used to form a polarised group. If any member of the sub-group is criticised, the other members put forth defensive arguments. Their attitudes are rigid and extreme. Group members' attitudes are polarised in either direction. Risky decision attitude has high pay-offs. A risky shift quickly occurs. Polarisation creates politics. Power corrupts people who use it to defend themselves and their fellowmen.
- *Escalation* Group members, instead of putting rational ideas, provide a twisted form of statement for certain ulterior motives. The escalated views destroy the basic fervour of group dynamics. These may not be always with ulterior motives. Group members are not fully competent to arrive at group dynamics. They inadvertently shift from the real path of discussion. Many members try to protect their self-esteem. Leaders are strongly admired for risk-taking. They do not face adversity.
- *Divided responsibility* The responsibility of everyone is the responsibility of no one in group behaviour. Individuals generally do not take a personal interest in the group. With the absence of any clear-cut division of responsibility, no one takes their work seriously. Group behaviour should avoid such types of attitudes. It has been observed that group decisions have been carried out more effectively and efficiently in the corporate management. Group members should avoid the weaknesses of group decisions for the effective use of group dynamics.

Team Work

Group dynamics depends on the teamwork of a small group having a coordinating action. Small groups or teams are specifically designed to achieve their respective targets. The total group activities are divided into small groups, i.e. sub-groups, which aim to achieve their respective tasks. The frequency of their interaction and their ongoing existence makes them different from short-term decision-making groups.

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Task team is developed for achieving the targets of the group. Task team is told their objectives, responsibilities and authority. The task team has enthusiasm and cooperative spirit. They work like a commando force, wherein if one soldier is attacked, other soldiers immediately take action. The task team is similar to the warrior groups. They work in coordination. The ingredients of the team are supportive environment, skills and role clarity, super-ordinate goals and team rewards.

Supportive Environment

The teamwork is developed in a congenial environment. Each member of the team supports the others. A supportive environment is the first step towards teamwork. It contributes to the members' morale. They are assured of safety and security and perform their activities in a high spirited environment. Team members have cooperation, trust and compatibility. Supportive culture is developed in the team-building process. The best example of teamwork is of a soldier who sacrifices even his life for the protection of his fellowmen.

Skills and Role Clarity

Team members are adequately qualified to perform their jobs. They cooperate with others. Each member knows the roles of other members with whom he interacts. When the need arises, other members act immediately for attaining the goals of the group. Team members respond voluntarily to the demands of the job. They take appropriate action to accomplish the group goals. Each and every member cooperates willingly. An inherent spirit of cooperation exists in a teamwork. They work for quality, customer satisfaction and achievement of the group goals.

Super-ordinate Goals

The team members consider the goals as super-ordinates and try to achieve them with their great efforts. Group members fix their individual daily quota of work which are certainly attained by them. They focus attention on efforts and stimulate a cohesive teamwork. For achieving the super-ordinate goals, internal conflicts are resolved. The minor differences are overlooked by the team members.

Team Rewards

There is the presence of team rewards in the team work. Team members aspire to get rewards as it makes their team distinct. An innovative team reward makes all the members active and energetic. Members are committed to achieve the group goals.

Group dynamics is the blood of any organisation. The members of the group must be healthy, skilled, co-operative and spirited to achieve the group goals. The strength of the group is seen in the strength of its members. Group dynamics is an essential feature of an organisation.

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Check Your Progress

1. What do you understand by the term 'group'?
2. Name the various types of groups.
3. What is groupthink and how does it develop?
4. What do you mean by intergroup interactions?
5. What is a team and and are the various types of teams?
6. Why does frustration occur?
7. Mention any two sources of intergroup conflict.
8. What are the problems faced by a group when group members are not sufficiently trained and controlled?

11.7 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. A group can be defined as a collection of two or more people who meet regularly and influence one another over a period of time, perceive themselves as a distinct entity distinguishable from others, share common values, and strive for common objectives (Shaw 1981).
2. The major classification is in the form of formal groups and informal groups. Formal groups are further classified into task groups and command groups. Some examples of informal groups found in organizations are friendship groups and interest groups.
3. Groupthink exists when pressures for conformity are so great that they tend to overpower the members' concern for realistic appraisal of the alternative course of actions (Aldag and Fuller 1993). It has been observed that when consensus seeking becomes a dominant force, groupthink develops.
4. Intergroup interactions means communication or connection between individuals in different social groups, and also to the interactions scheduled between the groups themselves collectively. It has long been a subject of research in social psychology, political psychology, and organizational behaviour.
5. A team is different from a group. A group includes two or more individuals, who are interacting and interdependent, to achieve group objectives. A work group primarily shares information and decisions. Teams are developed to achieve certain objectives. Therefore, they are classified into problem-solving teams, self-managed work teams and cross-functional teams.

6. Frustration occurs when expectations are not fulfilled. There are several barriers to achievement of desired goals. These barriers create frustration. Employees react to the barriers and resort to aggression, withdrawal, fixation and compromise techniques. The expectation arises out of a need deficiency. When employees feel the need, they develop drives to achieve the goal after overcoming the barriers.
7. Two possible sources of intergroup conflict are goal incompatibility and interdependent performance expectations.
8. Group members are exposed to reveal their weaknesses if they are not trained and controlled. Group loafing is witnessed under such a situation. Such unproductiveand non-contributory members get the opportunity to survive. They instigate othermembers to be lethargic and ineffective. The group has weaknesses of slownessand expensiveness, group think, polarisation, escalating commitment and divided responsibility.

11.8 SUMMARY

- A great amount of our time is spent in group interactions. In our lifetime, we join a number of groups. The membership to some groups is mandatory whereas others are undertaken voluntarily. Work groups become the major channel for achieving organizational goals (Yammarino and Dubinsky 1990).
- A group can be defined as a collection of two or more people who meet regularly and influence one another over a period of time, perceive themselves as a distinct entity distinguishable from others, share common values, and strive for common objectives (Shaw 1981).
- In most organizations, several different types of groups are present. The major classification is in the form of formal groups and informal groups.
- A formal group is established by management and is expected to perform well-defined tasks to achieve organizational objectives. At the organizational level, formal groups help to accomplish complex, interdependent tasks and to create new ideas (Schein 1980).
- Task is a temporary formal group that is established to solve specific issues. The example of a task group would include a curriculum revision committee in the university and a disciplinary committee constituted to look into specific disciplinary issues in the organization.
- Command group is a permanent group in the organization dictated by the structure of the organization. A typical command group comprises of a supervisor exercising his authority over a set of subordinates.
- Informal groups grow out of the need for friendship, affiliation, companionship, and communication between people. The membership of this group is not defined by the organization, but it is dependent upon the

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common values and interests shared by the employees. Some of the common examples of informal groups are "tea or coffee groups" and clubs.

- Informal groups grow out of the need for friendship, affiliation, companionship, and communication between people. The membership of this group is not defined by the organization, but it is dependent upon the common values and interests shared by the employees. Some of the common examples of informal groups are "tea or coffee groups" and clubs.
- Groups are formed and developed through several stages. Once formed, working relationships develop within groups, some groups grow and mature, and others become stagnant.
- A permanent group in its evolution has to pass through five distinct stages (Tuckman 1965). Each of these stages is identified with dominant task-related and maintenance issues. In a temporary group, a fifth phase is also added. These phases are forming, storming, norming, performing, and adjourning.
- A slightly different four-stage model has been given by Woodcock (1979). The stages in Woodcock's model are as follows: Stage of lack of clarity, stage of experimentation, stages of establishment of rules, stages of development.
- Groupthink exists when pressures for conformity are so great that they tend to overpower the members' concern for realistic appraisal of the alternative course of actions (Aldag and Fuller 1993).
- There is very little discussion and evaluation of alternatives in situations of groupthink. There is, generally, no realistic assessment of the cost incurred or the gains expected out of the alternatives rejected or accepted. No serious attempt is made to obtain the views of the experts on the issues under consideration.
- Intergroup interactions means communication or connection between individuals in different social groups, and also to the interactions scheduled between the groups themselves collectively. It has long been a subject of research in social psychology, political psychology, and organizational behaviour.
- Team spirit allows the company to produce better products at lower costs. It helps individual employees to develop skills and experience. Many organisations have developed useful teams for effective and efficient performances.
- The performance of a team depends on the size of the work team, the abilities of members, allocation of roles and promotion of diversity, commitment, specific goals, leadership, social loafing, reward systems and mutual trust.

- Intergroup conflict arises basically because of goal incompatibility, decision-making requirements and performance expectations. Time and goal orientation and barriers to goal achievement are included under goal incompatibility.
- The effects of intergroup conflict are witnessed in the form of changes in performance and goal achievements, which may be observed in each group and between each group.
- The management tries to achieve the goal through motivation and cooperation of all employees. Employees are expected to perform their respective roles. However, in reality, employees having different needs and roles are unable to cooperate with the management.
- Frustration occurs when expectations are not fulfilled. There are several barriers to achievement of desired goals. These barriers create frustration.
- Team spirit allows the company to produce better products at lower costs. It helps individual employees to develop skills and experience. Many organisations have developed useful teams for effective and efficient performances.
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- The performance of a team depends on the size of the work team, the abilities of members, allocation of roles and promotion of diversity, commitment, specific goals, leadership, social loafing, reward systems and mutual trust.
- Intergroup behaviour involves people's actions, reactions and differences. When groups interact, there is a possibility of intergroup conflict. An organisation includes diverse and dynamic groups which are interrelated and interdependent.
- Intergroup conflict arises basically because of goal incompatibility, decision-making requirements and performance expectations. Time and goal orientation and barriers to goal achievement are included under goal incompatibility.
- The effects of intergroup conflict are witnessed in the form of changes in performance and goal achievements, which may be observed in each group and between each group.
- An organisation adopts different strategies for resolving intergroup conflict through avoidance, defusion and confrontation.

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- Intergroup conflict is considered inevitable, as group interactions are essential for organisational performance. The ideological differences make or mar their performances. Conflict is functional or dysfunctional.
- The management tries to achieve the goal through motivation and cooperation of all employees. Employees are expected to perform their respective roles. However, in reality, employees having different needs and roles are unable to cooperate with the management. There are positive and negative aspects of goal compatibility which cause conflicts. Intra-individual conflicts arise due to frustration, goals and roles.
- Frustration occurs when expectations are not fulfilled. There are several barriers to achievement of desired goals. These barriers create frustration. Employees react to the barriers and resort to aggression, withdrawal, fixation and compromise techniques. The expectation arises out of a need deficiency.
- Employees face intra-individual conflicts on account of goal incompatibility. Frustration arises where a single motive is blocked before the goal is achieved; and in goal conflicts, two or more motive are blocked in the process. Goal conflicts are witnessed in approach-approach conflicts, approach-avoidance conflicts and avoidance - avoidance conflicts.
- Role ambiguity is another cause of intra-individual conflict. People play their respective roles in an organisation as per their status and cadre. An employee has also to perform different roles outside the organisation as father, son, teacher, friend and so on.
- Groups are effective problem solving tools. Groups have greater expertise, more information, risk avoidance and motivational factor. The group decision has the capacity of being accepted by the group members. The group members accept the correct decision and reject the incorrect decisions. Group decisions are free from individual prejudices.
- Group members are exposed to reveal their weaknesses if they are not trained and controlled. Group loafing is witnessed under such a situation. Such unproductive and non-contributory members get the opportunity to survive. They instigate other members to be lethargic and ineffective.
- Group dynamics depends on the teamwork of a small group having a coordinating action. Small groups or teams are specifically designed to achieve their respective targets.
- The teamwork is developed in a congenial environment. Each member of the team supports the others. A supportive environment is the first step towards teamwork. It contributes to the members' morale. They are assured of safety and security and perform their activities in a high spirited environment.

- Group members fix their individual daily quota of work which are certainly attained by them. They focus attention on efforts and stimulate a cohesive teamwork. For achieving the super-ordinate goals, internal conflicts are resolved. The minor differences are overlooked by the team members.
- Group dynamics is the blood of any organisation. The members of the group must be healthy, skilled, co-operative and spirited to achieve the group goals. The strength of the group is seen in the strength of its members.

11.9 KEY WORDS

- **Conflict:** It can be defined as a disagreement between two or more individuals orgroups, with each individual or group trying to gain acceptance of its view orobjectives over others.
- **Intergroup Conflict:**It refers to conflict between two or more members of the same group or team. In recent years, intragroup conflict has received a large amount of attention in conflict and group dynamics literature.
- **Frustration:** It refers to the feeling of being upset or annoyed as a result of being unable to change or achieve something.

11.10 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What are cohesive groups?
2. Briefly mention the characteristics of groups.
3. Write a short note on Tuckman's Model of Group Development.
4. What are the sources of intergroup conflict?
5. What is goal compatibility?
6. Briefly mention the weaknesses of a group.

Long-Answer Questions

1. Analyse the different stages of groups.
2. Discuss the consequences of groupthink in detail.
3. Describe the determinants of team performance.
4. What are the strategies used for resolving intergroup conflict? Discuss.
5. Why are groups considered as an effective problem solving tool? Explain.

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11.11 FURTHER READINGS

Robbins, Stephen P. 2010. *Organizational Behaviour*. New Delhi: Prentice Hall.

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BLOCK - IV

WORKPLACE CULTURE

NOTES

UNIT 12 LEADERSHIP BEHAVIOUR

Structure

12.0 Introduction
12.1 Objectives
12.2 Definition, Theories and Models of Leadership Behaviour
    12.2.1 Nature of Leadership
12.3 Foundation of Leadership
    12.3.1 Leadership Style
    12.3.2 Leadership Models
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12.0 INTRODUCTION

The success of an organisation depends on the leader—his attributes, approaches and problem-solving techniques. Leadership simply means the quality of a good leader. It is the personality and style of treatment of a leader which influences the behaviour of his fellowmen. Leadership is the focus of activity through which the objectives of the organisation are achieved by motivating the employees. It is the quality which a manager must possess. All leaders are not managers because many leaders operate in a non-organisational field, public and at the platform. A manager has to work only in an organisation. All managers must be leaders so that their employees can function effectively and efficiently. The behaviour, attitude and performance of the employees depends on the leadership.

In a business organisation, the role of a leader has become more important because he had to develop confidence and morale in the employees. Leadership by one's position is not as important as leadership by one's virtue. A formal leadership based on position and an informal leadership are equally important. A formal leaders gets work done by the employees as a person with authority. An informal leader influences the group behaviour without any disturbance. The formal leadership has authority and informal leadership has influence which is a desired attribute of leadership. Leadership without influence has no success. Sometimes,

just the presence of the person influences the employees to work effectively. In this unit, leadership is discussed under meaning, foundation, studies model and emerging approaches of leadership.

12.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the meaning and nature of leadership
- Analyse some specific bases of leadership for helping an organization
- Discuss common leadership styles
- Describe various leadership models
- Explain several emerging approaches to leadership

12.2 DEFINITION, THEORIES AND MODELS OF LEADERSHIP BEHAVIOUR

Leadership is the factor that helps individuals and groups to achieve the goal. It is the process of influencing and supporting employees or others to work enthusiastically toward achieving the objectives. There are three important features of leadership: influence or support, voluntary effort and goal achievement. Leadership is essential for guiding the activities. A leader functions as a guide, director and supervisor. The quality of a good leader is like that of a catalyst that transforms potentials of employees into reality. Leadership identifies, develops, channelises and enriches the potential of employees for developing an organisation. The difference between a manager and a leader is that the former has a formal authority or position and power to influence others to get the objectives achieved. Leader creates vision and inspires others to achieve the goals through stretching their capabilities. A manager must be apt in planning, organising, actuating and controlling. Leaders are expert enough to influence others to achieve the objectives. A leaders may not be competent enough to perform all the functions of a manager.

Leadership has been defined by several authors. Robert Tannen Baum has said that ‘leadership is a communicative, interpersonal influence exercised in a situation used for attaining objectives’. Leadership has four essential components: Leader, Follower, Communication and Situation. Leadership is not only hierarchical. Even an employee may be a leader because of his leadership traits. Any person in a particular situation may be a leader if he is able to influence others. A manager should have all the attributes of a leader. Managers are generally impersonal. Leaders take personal interest in the employees. They talk more about the morale of the employees rather than achieving objectives. Leadership works

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even in high-risk positions. A manager prefers a smooth going. A leader takes psychological and emotional advantages. Stephen P. Robbins has defined leadership as 'the ability to influence a group toward the achievement of goals'. It is the ability to influence others. The group has been given special importance under leadership because it influences a large number of persons. Andrew D. Szilagvi, Jr. and Marc J. Wallac, Jr. opine that, "leadership is the relationship between two or more people in which one attempts to influence the other toward the accomplishment of some goals". It refers to the relationship between two or more persons. This relationship has a power base to influence others. The behaviour of a leader is also the power base of influence. The other person is influenced by the leader. It means that the follower has accepted the power base of the leader. Leadership is an important component of management because it has the capacity to influence others in order to attain the specified objectives. A manager should be a successful leader so that he can influence his employees to work willingly. Excellent mangers have a reasonably high leadership ability. George R. Terry has defined leadership as "the relationship in which one person, the leader, influences others to work together willingly on related tasks to attain that which the leader desires". The definition emphasises the willingness of the worker and desires of the leader. Leaders desire what the organisation aims at. But, their immediate purpose is that the workers should follow them and work according to their desires. The work is done willingly by the employees. A leader influences the employees so much that they perform willingly for the achievement of the goals of the organisation which are also desired by the leader. If a leader desires that his personal interest should be sub served many followers may object. So, he will not be a leader for getting his personal interests fulfilled. The influence is an essential part of leadership. It comes from relationship between the leader and the group members. There are interactions between these two parties. A leader leads his employees and does not push. He pulls followers to the heights of achievement. He has the capacity to awaken the employees emotionally as well as rationally. The psychological treatment is more important than the relational because employees develop a willingness to follow the leader only from their heart and mind, and not merely physically. He has to develop a sense of dedication in the minds of the employees. A leader inspires and develops the followers to achieve the stated objectives. He assumes the responsibility of looking after the well-being of his followers. Threats and coercion are not part of leadership. It is mutual trust and confidence which develops leadership. Confidence reflects experience and technical ability. A leader helps the group to attain its objectives. Harold Koontz and Cyril O' Donnell have stated that "The function of leadership is to induce or persuade all subordinates or followers to contribute to organisational goals in accordance with their maximum capability". Leadership has been discussed by several authors with reference to the management technique. It is a crucial part of the organisation theory and corporate development.

12.2.1 Nature of Leadership

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The leadership has definite characteristics which are retained by an effective leader. His performance, communication, influence, power base interaction, acceptance, followers, situation and attributes are all important natures of leadership.

1. ***Performance:*** The performance of a leader directly influences the leader also. If he asks his employees to come on time, he himself has to reach the workplace on time. The workers follow his behaviour and functions automatically. The leader's performance itself guides and motivates the employees. The exercise of his authority demonstrates the way and methods of the employees' performance. Leaders have to influence people by their action. Mahatma Gandhi has influenced people by his deeds. He motivated and inspired the whole masses by his deeds. He was a 'Great Leader' in the sense that people were willing to do or die for achieving his desires. The leader's performances increase the group's viability and members' satisfaction.
2. ***Communication:***Leadership starts with communication either by deeds or words. The followers can develop themselves by observing and accepting the work or verbal communication of a leader. Although work communication is more effective, verbal communication is also influential. Formal and informal communication, written and oral communication and personal and impersonal communications have their respective influences. So, a leader must use the communication appropriate to a particular situation. Many times, personal approaches by a leader have long lasting impact on the followers. Impersonal communication is needed for keeping the followers at a distance to have an effective influence on them. Similarly, all other types of communication have their respective uses according to the demands of different situations.
3. ***Influence:***A leader must have the capacity to influence others. Without influencing others, a leader cannot function at all. He influences others morally and socially by using strong communication. The outcome of a communication is influence. The amount of influence desired decides on the form of communication to be used. The influence is long lasting in the mind of employees who work willingly even at a small gesture from the leader. The position and competence of a leader decides the size of influence. An unbiased leader is more influential than the situational leader. Individuals with honesty, integrity and competence influence the followers within a very short time and that too for a long period.
4. ***Power base:***The influence depends on the power base enjoyed by the leaders. There are five bases of power, viz. coercion, reward, legitimate, expert and reference. When a person threatens others to work it is coercion. But, coercive power has no permanent influence. It gives rise to negative feelings, and hostility is developed between the leader and his followers. It

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is a form of power base used in unethical and immoral activities. Theory X has been based on coercive power. Organisation appointing illiterate and inactive employees uses coercive power to influence the employees to get work done. The fear of punishment and negative reinforcement influence the employees to work properly for attaining the organisational goal. Reward power as against coercive power impels to motivate and award employees who have done some commendable tasks. This power base is used for influencing the literate and educated employees who are motivated with the reward which may be monetary or non-monetary.

Legitimate power is derived from the position. Since the leader is a manager, he can influence the employees. His position has the power. Without his position, he has no power at all. This power is used to formally influence the employees of an organisation. Expert power is possessed by expert and technically qualified persons. The knowledge, skill and behavioural command are the given power base to influence others. A qualified manager is able to influence others even after his retirement. He is consulted by the organisation and employees at several occasions even after leaving the job. Referent power is possessed by a person because of his exceptional qualities. He is referred as a model of organisation development. The power base is an essential feature of leadership.

5. ***Interaction:***The relationship between two persons is essentially desired in the management. In public and politics, leadership does not require a relationship. It is merely the interaction between two parties. Without interaction, no one is a leader or a follower. The leader and followers interact on a particular subject and the followers a follow the leader's advice for attaining the objectives. A leader has to lead a group (not a single individual). The interaction between two individuals does not characterise leadership because the two individuals are associated only on a certain relationship. Interaction includes some relationship, whether formal or informal, but the relationship does not necessarily interact. Group is an essential component of interaction with the leadership. A group without interaction does not need leadership. Group members are related with the leader. The relationship between a leader and his followers in an organisation is conditioned by the active forces of organisational activities. The employees' group operates under the able leadership of a manager. In an organisation, a manager must possess the qualities of a leader. Otherwise he cannot properly interact with his employees. The interactive relationship varies from situation to situation, group to group and place to place. Dynamic interactive functions are part of leadership.
6. ***Acceptance:***The power base and interaction are accepted by followers. If the influence is not recognised and not accepted by the follower, leadership does not take place in an organisation. The behaviour of the follower is

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changed and developed by the acceptance of the power of leadership. The acceptance creates influences which solves the problems of an organisation. The form and degree of acceptance is decided by the leader's ability and followers' psychology. Group psychology has much impact on the acceptance level of interaction between a leader and a group to influence their performances.

7. ***Followers:*** Leadership has followers. The link between a leader and his followers is communication. Influencing others is leadership. So, there must be others who are being influenced to attain the objectives of the organisation. Followers are the end-users of the leadership through interaction and communication. No interaction is feasible without communication but every communication need not have the attributes of interaction which leads to influence others. Communication may not be accepted by others and the others are not influenced at all by the communication. Interaction leads to influence and every interaction ends with influence. Doubts and problems are removed by interaction which requires mutual communication between both parties with feedbacks and ultimate action. Communication in itself does not always result in a final action. Interaction and influences are possible when followers (not merely a group) are present. Leadership has followers and not merely listeners. It has listeners as well as performers who are technically called followers.
8. ***Situation:*** Leadership is visible in a situation. In routine and regular functions, leadership is not required. In some situations and specific environment leadership is a must to guide the people to attain certain objectives. New ideas and motivational attitudes are developed by the leaders who inspire people to solve their problems. In a particular situation, people or workers may face certain acute problems and are unable to find a solution. But a person comes in and gives them a solutions. Such a person is regarded as a leader. Such situation demands leadership. It is not that leadership is sold or people create leaders. Situations create leaders and some people emerge as torch bearers. They are welcomed and regarded as leaders. A leader works in a specific situation totally different from routine functions. A leader, follower and situation are important ingredients of leadership. In one situation, Mr. A will be a more effective leader; and in another situation, Mr. B will be an effective leader. Leadership is situational.
9. ***Attributes:*** Leadership is the attribute of a leader. The qualities of a leader are specific. The main quality of a leader is to influence others. In a situation, a leader can influence others. But the qualities needed for influencing others are personality, skills and charismatic influence. Leadership has its own personality. The behaviour, appearance and personal qualities of a person have led many people to achieve the objectives of an organisation. The

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expert power is needed to become a leader. Intelligence, ambition, aggressiveness, polite and psychological stimulation are essential attributes of a leader.

Successful leaders have skills of proper behaviour. Technical, human and occupational attributes are need for leadership. The technical knowledge of the job makes a person a leader. Accountants, engineers, doctors and other professionals have the requisite knowledge to train others. Human skills such as the ability to inspire and motivate are needed for developing the team spirit. The leader is well known in psychological treatment. He is able to create fire of function. The followers cannot live without function because the fire of work is ignited by the leader. Motivation builders and communicators are good leaders. They create a sense of dedication, loyalty, zeal and zest in the followers. A good leader is one who makes his followers surrender to him mentally and psychologically. A leader is not selfish. He has to look after the welfare of his followers. When the followers have surrendered themselves, it is the responsibility of the leader to protect the interests of his followers and help them develop into full-fledged human beings and successful individuals.

The person getting the blind support of people but not looking after their welfare is known as a cheater. Charismatic qualities are to be properly used to make people satisfied. The welfare and development of followers rest upon leadership. A successful leader develops his organisation and his followers irrespective of his personal interest. Leadership is the light of a group to guide individual members of the group to achieve the organisational objectives.

12.3 FOUNDATION OF LEADERSHIP

Leadership has certain bases for helping an organisation. They are objective, situation, traits, followership and behaviour.

Objective

Leadership is to influence others for achieving certain objectives. It is always developed to attain the stated goals and objectives. The primary role of a leader is to get the objectives attained voluntarily by the followers. They develop enthusiasm with the inspiration of the leader. A manager has the formal position to attain objectives. Any leader has certain objectives which are to be to be achieved by the followers. A leader has formal and informal influences only to achieve certain objectives. Leadership does not exist without objectives. The objectives may be formal or informal, present or future and so on. Leaders operate in the light of publicity where people know their achievements and failures. A leadership creates an envious atmosphere in a competitive situation. A leader should avoid such situations to achieve the objectives smoothly.

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Situation

A situation makes a man a leader and an adverse situation retards leadership. A simple person can become a strong person as per the demand of the situation. In a particular situation, a person may be a very effective leader; and in another situation, he may be a very weak leader. Leadership is situational. Leadership is visible in a particular situation. It is weakened where it is not needed. Different styles of leadership are needed in different places and times, i.e. at different situations. For example, when encountering the aggressive behaviour of employees, a leader keeps quite and listens to them carefully to find out psychological solutions. When employees are reckless, the leader will be strong and may use harsh language.

Leadership is strongly affected by the situation from which the leader has emerged and in which he is operating. Mahatma Gandhi emerged as a great leader when India strongly needed independence. Swami Vivekananda became a most revered person when he guided people who were facing dogmatic attitudes. The situation creates interaction between the leader and the followers. He does those things which are desired by the followers. He works for the accomplishment of the group's requirements. The group supports him. People perceive the persons who possess the desired wills and capacities to achieve their required goals. It becomes automatic and the leader emerges as the most respected person. Leadership has a multidimensional approach to solve the given problems and achieve the goals of an organisation. The job and environment in which a person operates make him a successful leader. Leadership depends on the response of the environmental factors. Situation includes work environment, external, social, economic and political environment, group personality, work culture, characteristics of members, task needed and people's desires. A leader can be more effective in one situation and ineffective in another situation. Organisational effectiveness is under such situation when organisational environment is built favourably for the purpose. It suggests that there must be enough flexibility in the leadership to adjust to different situations. The social, economic, political and organisational environment are the main components of leadership. Situation leadership is situational but situations must be created to make leaders more effective. Leadership is trained to be flexible in different situations while strongly adhering to the values of the organisation and human behaviour. Flexibility is developed considering the degree of confidence of the followers, followers' jobs and power base of the leadership. The interaction of confidence, power base and job structuring are needed for developing an effective leadership. They are also known as Controlling, Active and Structuring (CAS) for making leaders most effective. Reverse of these, i.e. Permissive, Passive and Considerate (PPC), is needed in changed situation of an organisation. Situational leadership is desirable based on the organisational development.

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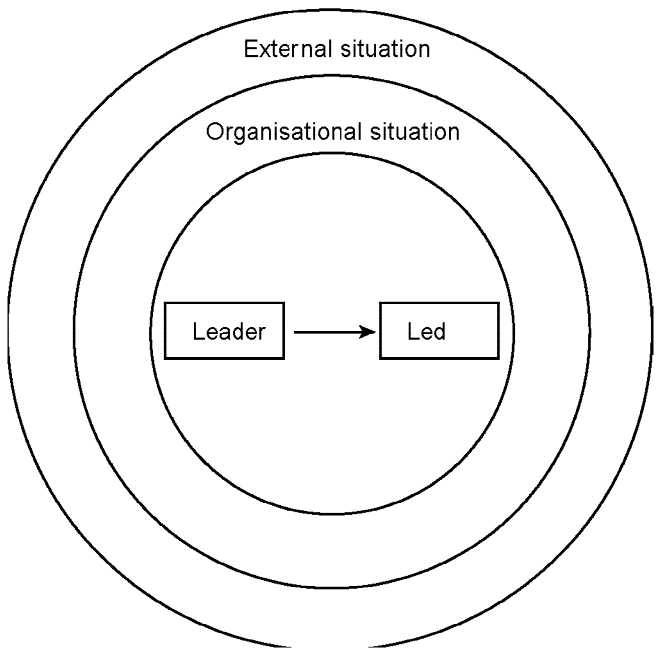


Fig. 12.1 *Influence on Leadership*

External and organisational situations influence the leadership, i.e. the interaction between the leader and the led. The external situation includes the social, economic and political environment. The working conditions, culture and relationship between a leader and his followers are included under organisational situations. The leadership emerges, develops, uses and decays under these situations.

Traits

Leadership is the process of influencing others. It has the traits of influencing. These traits are the basic attributes of a good personality, viz. ambition, decisiveness, drive, enthusiasm and health. The success of leadership depends on the traits of intelligence, initiative, supervisory ability, self-assurance and pattern of behaviour. Many cognitive and psychological factors help leadership. The size and shape of body, physical characteristics and intelligence are important traits of a successful leadership. Earlier, it has been discussed that extroverts, thinkers, sensory and justice-oriented persons are not very good leaders. Introverted feelers, initiators and perceivers are more effective leaders. It has been observed that drive, desire to lead, personal integrity, self-confidence, analytical ability, knowledge, creativity, charisma, flexibility and principle-oriented leaders are successful in managing people. It should be understood that these traits alone do not guarantee success. These traits should be utilised for leading people. People should demonstrate these traits to get success.

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Followership

Leadership is developed through following a model behaviour. This implies that the leaders also follow. Leaders have to report to someone else from whom they have received authority. The top leaders are accountable to the shareholders in a business organisation as the top ministerial leaders are accountable to the public. They need validation from higher authority as well as they need support from their followers. The first requirement for a leader is to have followers. It is their potential quality. The success of a leader depends on the number and quality of followers. It requires that a leader must be a good follower. The following includes loyalty, support, constructive thinking, and ability to anticipate problems and make suggestions.

Behavioural Approach

Leadership is based on the behaviour of the leader. His explicit and implicit actions influence the employee. Leader's philosophy, traits, attitude and skills are generally imitated by his followers. His style of functioning is reflected implicitly or explicitly in the employees. Competent leaders are likely to influence their employees rather than incompetent leaders. Employees' perception of leadership is influenced by the behaviour of the leader. Employees perceive what the leader actually does. They do not respond only to what the leaders think and do but respond to what they perceive in the leader. The basis of motivation differs from leader to leader. A leader may highly motivate the employees whereas other leaders may be unable to inspire them in spite of a high motivation factor. Different leadership styles are used to motivate employees. Negative behaviour is witnessed if penalties are exercised by leader. It discourages productivity. Positive leadership includes rewards, economic upliftment and autonomy.

12.3.1 Leadership Style

Leadership differs from person to person according to their style of functioning in a particular situation. Leadership style differs strongly from positive to negative, from participative, autocratic, free-rein, structure, managerial grid to contingency styles.

Positive and Negative Style

A positive style includes a sympathetic approach to employees, like better employee education, greater autonomy and other affirmative approaches to guide and control the employees. A negative style frightens the employees to perform their work under threatening conditions. The style is related with a leader's model of organisational behaviour. It has been observed that the negative style is not very effective in a developed organisation, whereas it is useful for manning illiterate labour.

Participative Style

The participative style includes the management and employees' cooperation for the development of the organisation. Participative decisions are not unilateral. It includes the consultation of employees entrusted with the job of performance. The leader and employees work as a social unit. They become a composite unit of an organisation and undertake the responsibility of organisational performances. This style is consistent with the supportive and collegial models of organisational behaviour.

Autocratic Style

The autocratic style centralises power and decision-making in its leader. It maintains a distance with the employees. The leader considers himself most superior and dictates his decisions to his employees. He takes full authority and assumes full responsibility of performance. If anything is wrong, he puts the blame on the employees. It may be moderate when some rewards are given to employees for a better performance. An autocratic leader generally believes in threats and punishment. He has some positive results.

Autocratic leadership helps quick decisions, prompt action and provides security and structure to the employees. It helps to maintain discipline and efficiency. It is beneficial for managing illiterate employees but is retrogressive for guiding educated people. In the long run, fear and frustration are converted into revolt. They revolt against the functions. Often, this style is effective, as it is the dominant style to control and manage subordinates and other employees.

Free-rein Style

Leadership believing in free-rein style establishes its own goals and works out its own problems. Group members train themselves and provide their own motivation while leaders avoid power and responsibility. The leader plays a minor role in this style. He is simply a guide. He behaves indifferently and does not bother much about his duties. Employees perform under the simple supervision of the leader. Unlike an autocratic leader who ignores the employees and group members, a leader following this style gives more importance to the employees. Since the leader is dormant, chaos and disturbances in the organisation are visible. Employees become uncontrolled and troublesome. It is a dormant style.

Task-oriented and Structure Style

Leadership is impersonal and emphasis is placed on the consideration and structure of an organisation. It is a task-oriented leadership style. Job consideration is the style of a leader who believes in work and performance. Structured and task-oriented leaders believe that they get results keeping employees always busy and urging them to do their work. They try to build teamwork, provide support and help them achieve success. Leaders are considerate and believe in work only. Work performance is always taken into consideration. The hierarchical power and prestige are least important.

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Ignoring difference in cadre may create problems sometimes. So, the leaders do not ignore their position. They combine together the position and task. Often, they forget their positions and come down to the level of the employees to get work done promptly and qualitatively. The task-oriented style has achieved higher satisfaction and productivity. The employees feel satisfied with the task-oriented leaders as they do not find differences between themselves and the leader. Grievances, absenteeism and a low turnover are reduced to the minimum in such a type of leadership style.

Managerial Grid Style

Robert R. Blake and James Mouton have given the managerial grid leadership style. They have given two dimensions of the grid, viz. people on the vertical axis and production on the horizontal axis. These two dimensions are similar to the consideration and structural functions as discussed in the task-oriented and structured style. The employees' axis has 9 pikes starting from 1 below and goes up higher to 9 and similarly production has lower 1 to higher 9.

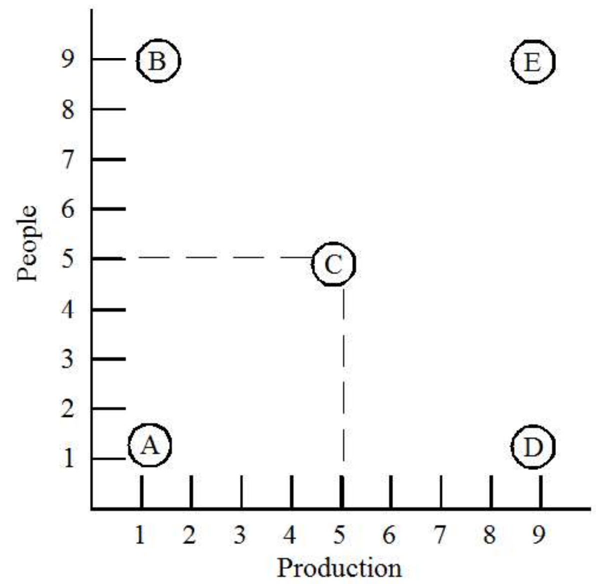


Fig. 12.2 *Managerial Grid Style*

Adapted: Robert R. Blake and James Mouton: Managerial Focades.

A. ***Impoverished style*** The least management exertion is depicted at the point 'A' where people and production are at a low point, i.e. 1 to 1 respectively. The management or leader is least concerned with the people (employees) and production. It is known as an impoverished style of leadership. The leader is least concerned with the employees and production. He is a dormant leader and does not bother much about the people's welfare and quantum of production. A leader under this category gives the minimum importance to tasks and relationships. It is purely a rule-oriented leadership style.

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Bureaucrats use the impoverished style of management when the development of employees and achievement of targets are of not much concern. Only getting the task going is essential.

B. ***Country-club style*** A leader adopts the country-club style at point B as depicted in Fig. 12.2. He is highly concerned with people and least bothered about production. It has the coordinates 9 and 1 respectively. He thinks that production will improve if the people's welfare is looked after. Satisfied employees are an asset to the organisation. Paying personal attention to employees makes them confident and competent. However, it may create a negative productivity if the employees are given too much attention. They become reckless and managerial inefficiencies develop. They try to know the drawbacks of leaders and disobey them. This theory is not always correct. Situational analysis reveals contingency approach. The point B gives the maximum concern to a relationship and the least concern to the task. A leader has an implicit trust in his employees and believes in the development of employees. Developed employees develop the organisation. Leaders are known as developers.

C. ***Middle-of-the-road style*** The leader at point C in Fig. 12.2 adopts a middle path of giving equal weightage to people and production, i.e. 5 to 5 respectively. He adopts the balanced leadership style so that people remain satisfied while production is also increased. Many managers adopt the middle path style for achieving the production target. This style gives equal weight to task and relationship. Depending upon the need of the situation, either of them is provided importance. The leader is known as one who makes compromises. He is considered a poor decision-maker.

D. ***Efficiency style*** The leadership style at point D in Fig. 12.2 is known as an efficiency style as more importance is given to production and less to people. In other words, people are the least important factors, while production is the more important and desired task. People and production are given 1 and 9 respectively. Conditions are arranged to get more production. With minimum welfare to employees, maximum production is attained. This condition is not always desirable because the employees cannot be exploited forever. They would demand more perks if production has increased on their account. The efficiency style as depicted in Fig. 12.2 is more concerned with tasks and less concerned with relationship. A manager knows less about the employees but desires more achievement from them. A leader under this category is an autocrat who is benevolent to a lesser degree.

E. ***Common-stage style*** In Fig. 12.2, point E indicates that both people and production are given the maximum attention by the leader. The scores are 9 and 9 respectively for people and production. It gives the maximum trust to employees as well as anticipating the maximum return from them in the form of production. People and production are highly regarded under the

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common-stage style of leadership. It is considered the best style of a leader as he is chiefly concerned with people and production. He is considered as a team-builder and production-maker. This is the point which should be achieved by every management leader, although this point is rarely achieved by them. This point gives more importance to task and relationship. The leader is a good motivator, who sets high standards, recognises individual differences and develops the team management.

There may be different leadership styles with the combination of people and production. If each and every pick of the figure is taken into account, 81 styles may be developed. Therefore, it is known as a grid having 9 x 9 squares. This grid is used for assessing the leadership style at different levels.

Contingency Leadership Style

A large number of leadership styles are developed. None of them can be called the best leadership style. The effectiveness of the leadership depends on the situation in which it is used for managing the organisation. It is known as a contingency leadership style. The appropriateness of a leadership style depends on the nature of the situation. Fred Fiedler puts forth the contingency model. He has pointed out that the leadership style depends on the situation, which may be favourable, unfavourable or neutral. The leadership style varies with each situation. Fiedler has given the leadership style on the interaction of employee orientation with three additional variables, viz. the followers, the task and organisation. It determines the leader member relations, task structure and position power. If the leader–member relations is not congenial, the leadership style has to be changed. Task structure indicates the leadership style of performance. Position power describes the organisational power. Considerate employee-oriented managers are more successful in situations favourable to them. A situation favourable to the leader makes him a successful leader. Hersey and Blanchard have given four styles of leadership under the contingency theory known as telling, selling, participating and delegating. They have associated the developmental stage with the recommended style. Telling is directive, low support, low ability and low willingness. Selling is coaching and supporting. It has a low ability and high willingness. The participative style has a high ability and low willingness. It has a supportive and low direction. Delegating has a high ability and high willingness. It deals with the low direction and low support.

12.3.2 Leadership Models

Various leadership models have been presented by different authors, but important among them are trait, behaviour, path and contingency models. These models are also known as theories. Effective leadership is a function of the characteristics of the leader, the style of leadership, the characteristics of the followers and the situation surrounding the organisation. It clearly indicates that the leadership models can be respectively a trait model (theory), behavioural model, path goal model

and contingency model. None of them can be a supreme model. A combination of all these models makes an appropriate leadership model.

Trait Model

Leaders use their respective characteristics to use a power base which is fundamental to decide the leadership functions. Two leaders having different individual characteristics or traits use the same power base differently. A liberal leader uses power even for his personal satisfaction. An individual leader views the situation and adopts the style of management according to his traits. His characteristics, available resources and target person (follower) are considered for adopting a suitable leadership style. While exercising his power, the leader takes decisions based on his characteristics, needs and role. The degree of acceptance and correspondence between a leader and his followers decides the level of influence exercised by the former.

Authors of leadership have identified several traits required for an effective management. They are categorised under physical, psychological and social characteristics.

Physical characteristics Physical characteristics such as height, weight, age, soundness of health and body structure decide the leadership style of the individual leader. A tall person can influence the follower more effectively than a short person. Elders are more influential than a younger person. A particular body structure will be used for influencing people in a particular situation. Physical considerations are not absolute. It is relative with every situation. It has been established that physique is not the only trait of leadership. It is a situational factor.

Psychological characteristics A leader's psychological approach has more influence on his successful performance. Task-related characteristics have positive results on the leadership. Responsibility, initiative and attitudes shape a leader's qualities. Individuals exhibiting a high motivation and need are able to achieve results promptly. Intelligence makes a person a good leader. Intelligence is characterised by decisiveness, decision making power, knowledge, influencing personality and tact. An influencing personality includes alertness, self-confidence, integrity, dominance and achievement orientation. Perception, attitude, learning and other mental activities are governing factors for deciding the quality of leadership. Inner motives and achievement drives make good leaders.

Social characteristics Socio-economic background decides the effectiveness of leadership, i.e. factors like the social status, mobility and education. Economically upgraded and educated people are successful leaders. Leadership is not born, but is acquired through education and experience. Many low-class and low-caste employees have emerged as good leaders because of their experience. The situational phenomena have been contributory factors of developing leadership. Socially accepted leaders take an active part in all the activities of the organisation. They develop the harmony, trust and acceptability of a larger number of people.

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Many great leaders are identified with their traits. They possess ambition, energy, desire to lead, honesty and integrity, intelligence, self-confidence and job-related knowledge. Leaders are charismatic, courageous and enthusiastic. People who are highly conscious of their thoughts and actions are successful leaders. Traits are not abstract qualities of leaders. Situation and behaviour are guiding factors for shaping leadership traits.

Behavioural Model

The behavioural model is based on the premises that a specific behaviour distinguishes a leader from a non-leader. The common behaviour of a leader is visible but the behaviour of a leader and non-leader totally differs from each other. Leadership style differs from person to person such as tough talking, intense, autocratic and so on. People are made leaders through their behaviour, training and development. A specific behaviour which identifies a person as a leader is developed by the potential leader. It focusses on effective leadership and tells how a person can be a more effective leader by adopting a specific behaviour. Task-oriented and employee-oriented behaviour have been considered as an effective tool of leadership. Two main approaches have been designed by the Ohio State University and University of Michigan on the behavioural model.

(i) ***Ohio State studies*** The Ohio State University has conducted comprehensive studies on the behavioural approach of leadership. It has identified two independent dimensions of leader behaviour. The Ohio State studies have revealed the determinants of leader behaviour and the effects of leadership style on performance and satisfaction. All the determinants of leader behaviour are classified into two: initiating structure and consideration.

- *(a) Initiating structure* Initiating structure is a task-oriented leadership style. It defines the structure of a leader and his subordinates for achieving the goal. It includes behaviour that is required to organise work, work relationship and achievement of goals. It instructs how to assign particular tasks to group members to maintain definite standards of performance. The behaviour of a leader organises the task, assigns the work to be done, establishes a communication network and evaluates work group performance. The behaviour initiating structure decides the level of leadership.
- *(b) Consideration* Consideration is a job relationship characterised by mutual understanding, respect for subordinates' ideas, friendship support and concern for employees' welfare. It is an employee-oriented leadership style. It is the perception of the employees towards their leader. The managerial grid has discussed the composition of task oriented employees and employee-oriented relationship. Consideration means a leader considers his followers' welfare, well-being, status, satisfaction and comfort. He is friendly in his approach and takes care of his subordinates. The consideration is a people-oriented leadership

style unlike the initiating structure which is a production-oriented leadership style.

The combination of both types of behaviour, i.e. structure and consideration has given the managerial grid as discussed already under leadership style. High structure (product) and high consideration (people) are known as high-high leadership style which tends to achieve a high rate of performance and satisfaction. It is given by point (1) in Figure 12.3. Similarly, a low-high leadership behaviour tends to low production and high consideration of employees as given in point (2) in the figure. High-low leadership as given in point (3) in the figure is production prone and less considerate of employees. A low-low leadership is less considerate with production and people. It is point (4) in the figure. It has been concluded by researches that the high-high leadership behaviour is desirable for getting a high level of performance and satisfaction. Performance is related to production and satisfaction is concerned with people. There is positive relation between initiating structure and satisfaction in many cases but it is not always correct. Situational factors influence the effectiveness of behaviour-determinants.

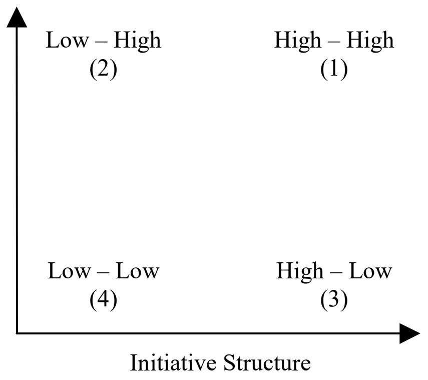


Fig. 12.3 *Ohio Studies dimensions*

(ii) ***University of Michigan studies*** The leadership studies conducted by the Michigan University has located behavioural characteristics of leaders and performance evaluation. The purpose of such studies has been to identify the styles of leader behaviour for increasing work performance and employees satisfaction. Michigan Studies have revealed two dimensions of leadership behaviour, namely job-centered leadership and employee-centered leadership.

(a) Job-centered behaviour Job-centered behaviour emphasises the technical or task aspects. The main concern of this leadership is achievement of the group's tasks by the group members. It focusses on the use of close supervision. The leader exercises a legitimate and coercive power for getting work done by the employees. He evaluates

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work performance. The leader tries to establish a relationship between the leadership and effectiveness. The job-oriented behaviour increases productivity because of direct pressure and close supervision, emphasis on the use of rules and procedures, increased programme on turnover and development of production techniques. However, it decreased satisfaction of the employees if the job is given too much significance, ignoring the employees, needs and attitudes.

The two types of behaviour are not absolute in giving a solution. It is greatly influenced by the situation. Leadership takes situational conclusions. In a normal situation, employee-centered behaviour is successful because the group is going smoothly. The group members try to increase productivity while getting job satisfaction. Job-centered behaviour is required under an abnormal situation because production is given prime importance for the survival and growth of the organisation. Employees are pressurised or coerced for getting higher performance.

The Ohio State studies and Michigan studies have concluded similar findings under different names. The Ohio studies are two-dimensional, viz. initiating structure and consideration, which are respectively the job-centered and employee-centered behaviour of Michigan studies. A mix of initiating structure and consideration at a high level gives higher effectiveness depending heavily upon the situational factors. Similarly, job-centered and employee-centered behaviour at a higher level increases productivity, depending upon the situation.

(b) *Employee-centered behaviour* The behaviour emphasising interpersonal relationship between the employees and the leader is known as the employee-centered behaviour. A leader takes personal interest in the needs and welfare of his subordinates. He maintains the differences between a leader and the employees. It relates with high satisfaction. Michigan studies have concluded that employee-oriented leadership gives a higher group productivity and job satisfaction. This leadership emphasises on the delegation of responsibility and employees' advancement and personal growth. Supervisors are given an extensive training to establish and strengthen a congenial relationship. Employees develop efficient work-flow procedures, cohesive behaviour and mutual trust. It provides a platform for increasing productivity and personal satisfaction. The studies have concluded that the employee-centered (oriented) behaviour is a very good leadership.

The behavioural model or theory is complex. Different levels of job-centered (production-oriented) and employee-centered behaviour (people-oriented) have a different impact on productivity, performance and satisfaction. Situational factors contribute to the behaviour level of a leader who is using job-centered and employee-centered leadership styles.

Path Goal Model

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Goal plays a central role in leadership development. Martin G. Evans initially presented the leadership model of path goal. The path goal theory is derived from the expectancy theory of motivation. Leadership is closely related with work motivation and power base. Robert House has developed this theory to make leadership more effective. This theory states that the leaders' job is to create structure, support and reward so that the employees reach the organisational goal. A leader has to create a healthy work environment for the employees' satisfaction and better performance. It tells of role clarity, goal expectancies, satisfaction and performance. The path goal model is analysed under process, improvement and leadership style.

The path goal model helps in identifying the employees' needs, providing appropriate goals, connecting goal achievement, work rewards, clarifying expectancy and instrumentality relationships.

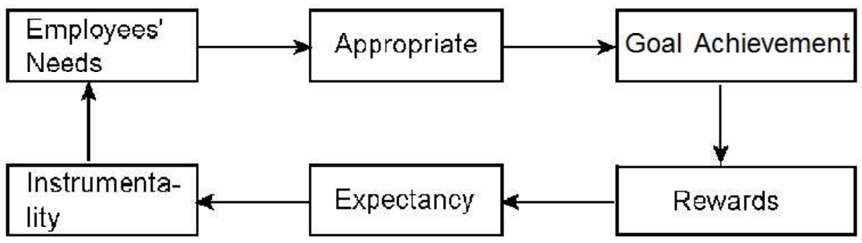


Fig. 12.4 *Path Goal Process*

1. ***Employees' needs*** Performance and satisfaction are important components of the path goal model. The employees get satisfaction when their needs are fulfilled. According to Maslow, the five hierarchy of needs are required differently by different cadres of employees. Employees are motivated considering their respective needs. A leader has to assess the respective requirements for motivating them to get a higher performance and satisfaction.
2. ***Appropriate goals*** The establishment of targets and objectives is essential for a successful performance. The objectives are formulated for a long-term as well as a short-term period. The short-term period objectives are based on long-term objectives. The goal is generally short-term. It provides the methods of measurement so that the performance is compared with the goal of an employee to award them for a higher performance and remand them for lower performance. The performance standard is based on goals and past achievement. A person can perform better when he has specific goals. In other words, human behaviour is goal-oriented. Goal-setting pre-requisites are worthwhile goals, available resources and different environment. The leader plays an instrumental role to use the resources for achieving the goal. His behaviour directs

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the employees for right performance. Goal is the compass which guides the employees towards a distinct path and destination. Uniformity and cohesiveness are maintained with the tool of goals and targets. Without goals, different employees will go different ways. Work will go astray. This problem continues until the direction of the employees is set towards the achievement of goals.

3. ***Goal achievement*** Management by objectives (MBO) is the popular philosophy where the leader and employees mutually agree to carry out the work to attain the objectives. The corporate and departmental objectives are achieved respectively by them. Objective leads to proper functions, and functions are tallied with objectives. Deviations are noted and corrected for future planning. A leader's behaviour emphasises mutual goal setting, planning and periodic reviews of the progress. It resets goals, planning and action. This cycle continues throughout the life of the organisation. The path-goal-oriented behaviour of a leader makes the employees goal-specific, helps them accept the goal and find the task a challenge.
4. ***Rewards*** The path goal model provides rewards to the employees and provides opportunities to get the maximum reward benefits through the attainment of objectives. Rewards and punishments are attached with this model. The employees' performance is increased through personal pay-offs which are achieved by coaching and directing of employees. The expectations of employees are found and these are used to motivate them.
5. ***Expectancy*** A goal leads to expectation which encourages them to achieve and get rewards. Employees thus develop a high vision which is a long-range image. Expectation is an idea of what can or should be achieved. It increases commitment and enthusiasm. Shared beliefs and values serve as the basis for the creation and change of the culture of an organisation. Vision is a key factor for developing leadership. The development of an organisation depends on the vision of the managers. They are responsible for creating an environment, projecting the future conditions and developing master strategies for achieving goals.
6. ***Instrumentality*** Providing feedback to the leaders creates a successful path of goal achievement. Knowing the needs and desires of employees, creating a conducive environment, reducing frustrating barriers, increasing opportunities for personal satisfaction and awarding employees according to their performance are instrumental for creating a smooth path of goal achievements. A leader attempts to make the path of goal achievement as smooth as possible. A leader's directiveness is positively related to satisfaction and expectation of the subordinates. Supportive leadership has the most positive effect on performance and satisfaction.

Path Improvement

The path goal theory offers only a few suggestions to leadership. It requires the consideration of situations. Fiedler's contingency model has improved this theory. The path goal theory considers only goals and methods to achieve them but it ignores the contingency factors which are important for leadership development. Contingency or situational factors such as personal characteristics of subordinates and environmental factors must be considered for developing leadership. Path improvement includes task support, psychological support and role-modelling.

Task support Task support means that a leader helps the employees perform their respective tasks. He assembles the resources, money, power and removes constraints. He exhibits upward influence and provides recognition contingent upon performance. Leaders behaviour is motivational. He helps to satisfy the subordinates by fulfilling their job needs. Awards are given based on better performance. He provides coaching, guidance, support and the necessary facilities for an effective performance. The leader attempts to influence the subordinates through his behaviour.

Psychological support Task support by itself does not satisfy the employees. They require a psychological push by the leader's behaviour. For example, the enthusiasm and zeal of a leader motivates the employees to perform better. The employees want to learn from the leader. Such a situation is highly motivational. A leader's behaviour is acceptable to subordinates only when they realise that the former's behaviour is the immediate source of satisfaction or instrumental for future satisfaction.

Role-modeling The subordinates follow the leader's action. If the leader desires that a particular system should prevail in the organisation, he himself should demonstrate the behaviour. What is preached is not followed. So, it is essential to practically demonstrate rather than to preach the principles. The leader thus has to play the role of a subordinate. Role-playing is a very effective behaviour of a leader to make his employees perform appropriately.

12.3.3 Leadership Style

The leadership style is an essential part of the path goal model as it tells the employees what to do, and how to do which are respectively goal and path. Moving on the path to attain the objectives requires a specific style. In other words, the success of path and goal depends on how the path is travelled to attain the goal. Goals increase the employees' expectancy. A leader has to exercise his style of functioning to motivate them to achieve goals and rewards. One style is not appropriate for all the employees. It differs from employee to employee. Generally, there are four types of leadership styles, viz. directive, supportive, achievement-oriented and participative leadership.

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Directive leadership It is an authoritarian leadership. Subordinates are instructed to perform the job in a specific manner. A leader gives specific directions. There is a wide difference between a leader and the employees. A leader is considered as superior and the employees as inferior. A leader's voice is final. Employees cannot question his instructions. Work schedule is framed by a leader. He is responsible for task assignment and standardised performance. Autocratic leadership styles come under this category as the leader takes full authority and responsibility. He gets work done even by coercion and threats.

Supportive leadership Unlike directive leadership, the leader is friendly and sympathetic to the employees. He helps them in times of need. He is always concerned with the problems of employees. A distance between the leader and the employees is maintained but it is not inapproachable. A leader demonstrates a helping attitude for developing the employees' well-being. A healthy and helpful atmosphere is created for the satisfaction of employees. A leader is known as a benevolent autocrat.

Achievement-oriented leadership A achievement-oriented leader sets high expectations for the employees, creates confidence in them, inspires desired behaviour and motivates them to achieve the maximum possible result. Challenging goals are set by the leader to be achieved easily by the subordinates. The leader uses justice to award or punish the subordinates.

Participative leadership In the achievement of a goal, the employees are invited to participate in the decision-making process so that they willingly execute the decision. The suggestions made by the employees are directly and indirectly given to the leader who incorporates them in his final decision. It should be known that the final decisions are still made by the leader. He does not accept the suggestions of employees in toto. Suggestions are welcomed but are used in the final decision only after careful consideration.

Contingency Approach

The trait, behavioural and path goal models of leadership are effective in different situations. They are contingent upon certain conditions. Social psychologists have revealed different situational variables upon which the success of different theories of leadership depend. Their impact on leadership, behaviour, performance and satisfaction are analysed to understand the overall theories of leadership. There are a large number of expectations to the existing knowledge or models of leadership. These expectations are important and are evaluated for a complete understanding of the leadership model. This is known as the contingency approach which is divided into two models: contingency model and situational leadership model.

Contingency Model

The contingency model was developed by Fred E. Fiedler. He recognised the situation-based model. This model is based on task and employee-oriented models

suggesting that their success depends on favourable, unfavourable and intermediate stages of a situation. If the situation varies, the leadership also varies. If it does not vary, it is not an effective leadership. The Fiedler model is based on leadership style and the favourable factors of the situation. The leadership style includes the production and people-oriented styles. He has explained his model under three dimensions, viz. leader–member relationship, task structure and position power.

(i) ***Leader–member relationship*** The acceptance of leadership by followers or subordinates is known as the leader–member relationship. This relationship depends on how much the leader is accepted by a group. If a group does not accept the leader's presence, the relationship is non-existent. Similarly, if the acceptance is low, the relationship is also low. Unless a relationship is developed, leadership is not accepted. It creates a friction between the leader and the subordinates.

(ii) ***Task structure*** The contingency model has the second dimension known as the task structure. It is the degree to which a specific way is required to do the job. Task structure may be totally structured or defined. It may be unstructured too wherein the job is open and no specific method is given for completing the job. Task-oriented or production-oriented leadership is defined based on the task-structured leadership. A highly structured job is preferred because there is no scope of doubt about the job. An unstructured job gives more autonomy to the employees but it provides a platform for non-uniformity and dissimilarity in the job.

(iii) ***Position power*** The third dimension of the contingency model is position power. It reflects the formal authority. It describes the organisational power that goes with the leader's position. His position may have the power of hiring, training, promotion and placement of employees.

Situations play a crucial role in deciding the degree of composition of all the three dimensions. The situation is favourable when all the three factors are high, i.e. good relationship, high structured or production-oriented task and high power position. A great deal of authority makes an effective leader.

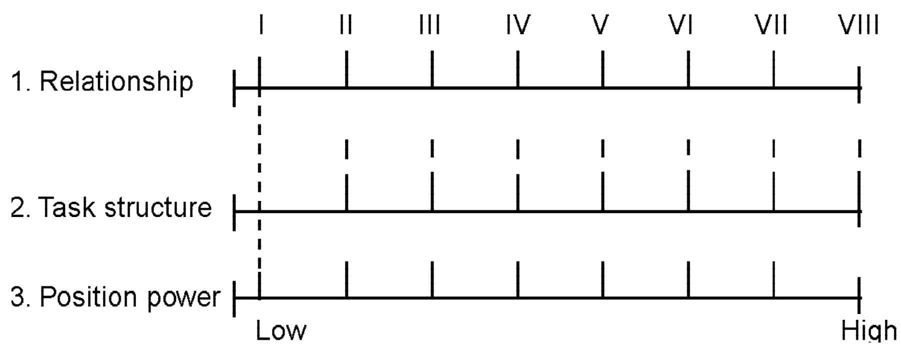


Fig. 12.5 *Combination of Dimensions of Leadership*

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The highest degree is the VIII degree in all the three dimensions. It is a very favourable situation for leadership. Similarly, when all the three dimensions are at I, it is a low degree of leadership. The situation becomes totally unfavourable if these three dimensions are at a low degree. Between the low and high degrees of leadership, practically almost all the leadership types exist. This situation is known as the hard-nosed type of leadership. It is more effective than the low or high leadership. A moderate relationship, structure and power is effective in many situations. There will be 83 or 8 x 8 x 8 = 512 types of leadership based on the different dimensions, although Fiedler has not given such an explanation under the contingency model. He has opined that the task-directed leadership is most effective because the leader has power, informal backing and well-structured task. He has pointed out that a task-oriented leader is successful in an unfavourable situation. He has stated that when the leader– member relations are positive, the situation is favourable. A structured leader is more effective. The situation is decided on the bases of people, task and organisation. Leaders should be flexible in using these dimensions.

Least preferred co-worker Fiedler has developed a unique technique to measure the leadership style. It is known as the 'Least Preferred Co-worker' which reveals how a leader perceives his worst co-worker. He relates it with human relations and the task-directed style. Human relations or lenient style is associated with relatively favourable description of an employee, i.e. co-worker. Task-directed or hard-nosed style is associated with an unfavourable description. Neither the lenient style nor the hard-nosed style is effective because situational factors mostly influence them. So, Fiedler has suggested that more emphasis should be given to the situational variables or factors. Leadership is the combination of these two variables, viz. lenient style and hard style depending on situations. He has given the combination in the form of the contingency model of leadership effectiveness. He has explained that the leader behaviour is measurable as it exists in between LPC (Least Preferred Co-worker) and identified favourableness of the situation. A leader works in between very favourable and unfavourable situations. Performance and LPC are positively correlated as the favoured employees perform better. A human-relations-oriented leader is more effective.

The leadership model is a combination of task-oriented, people-oriented and environment-based factors. The leadership style is not fixed, but is variable and contingent upon a situation. A leader may increase or decrease the task structure under certain situations. Position power also varies as demanded by the situation. A leader uses stringent power in an atmosphere of turmoil. Less power is exercised in a normal situation. When employees are educated, they participate in the decision making process. An effective leadership changes its style as per the contingency. A leader needs training for handling a situation. He has to modify his behaviour according to the environmental changes.

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Situational Leadership Model

Paul Hersey and Ken Blanchard have developed a situational style which depends on the followers' acceptance, readiness, maturity and willingness. Regardless of the experience of a leader, he is not successful unless the followers accept him as a good leader. His effectiveness depends on his followers' ability. The readiness of his follower has been defined by Hersey and Blanchard as 'the willingness to accomplish a specific task'. They have emphasised on competence and commitment, which are respectively known as ability and willingness.

(i) Competence Leadership's success depends on competence of the followers. The development level of the employees influences the effectiveness of leadership. Employees' knowledge, job skill, ability to perform, willingness to undertake responsibility and capacity to work independently facilitate a leader to perform better. The behaviour of a leader contributes to the employees' development as stipulated. Appropriate guidance, job experience, performance and reward make employees feel satisfied in their job.

(ii) Commitment Employees' commitment towards work helps a leader achieve the organisational goal. Committed employees readily accept the job assigned by leader. Ability and willingness of employees influence the degree of success.

Hersey and Blanchard used the same two-dimensional points of Fiedler but in four different ways. Task-oriented and people-oriented dimensions are combined and they are known as Telling, Selling, Participating and Delegating.

(a) Telling Employees are at the initial stage of ability and willingness. In other words, they have low competence and low commitment. The leadership style under such a situation is directive and low supportive. It requires a high task structure and a low people-orientation. This is called as a high task and low relationship. The leader tells the employees about the rules of performance. He directs them on all the aspects of performing a task. Telling is the directive behaviour of a leader because the employees have neither a competitive spirit nor any commitment.

(b) Selling Under the selling stage, the employees have low ability and high willingness. They are directed and supported by the leader. The leader has a directive and supportive behaviour. It has a high task and high relationship style. The selling style is useful in a situation where people are unable to perform the job. The employees are motivated to acquire more knowledge of the job.

(c) Participating The employees are treated highly although they have a low task relationship. It is suitable to those employees who have high ability and low willingness. A leader uses a supportive and low directive

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behaviour. The leader and followers share in the decision making process. A leader encourages frank communication and he provides all the facilities for their development. Participating leadership is effective when people are able but are unwilling to do what they are asked to do.

(d) *Delegating* The leadership style of delegating believes in low direction and low support. It has a low task and low people-orientation. The leader provides little direction and less support. It is applicable in the situation wherein employees have high ability and high willingness. If people in the department are able and willing to do what is asked of them, delegation is the appropriate leadership style.

A leader adopts low task structure and low people-orientation when the employees are developed. But in the initial stage of the employees' development, a leader adopts direction. The situational model is close to the managerial grid model. A leader develops himself by involving good behaviour with employees, administering rewards and self-motivation.

12.3.4 Emerging Approaches to Leadership

Recently, several approaches have been developed by different authors to make leadership effective. The important approaches are Leader Member Exchange (LMX) Theory, Leader Participation Model, Attribution Theory of Leadership, Charismatic Leadership Theory, Three-dimensional Model, Normative Leadership Model, Transactional Leadership and Transformational Leadership.

Leader Member Exchange (LMX) Theory

The Leader Member Exchange Theory indicates that a leader establishes a special relationship with his subordinates. In a group, all the members are trusted equally although they get disproportionate attention. Some of the subordinates get special privileges while others are paid less attention and may be considered as out of group members. Superior-subordinates have formal authority interactions. The leader categorises some members of the group as inner members and other members as outer members. This 'in' and 'out' group is relatively stable during the course of organisation behaviour. Members who are treated 'in' the group behave properly, perform better, get more satisfaction and so on. Other members of the group try to come within the 'in' group. The Leader Member Exchange theory motivates the employees personally. The leader takes personal care of the employees. The members who are not highly regarded by the leader feel dissatisfied. They try to know the likings and dislikings of the leader and behave accordingly. This theory motivates only a few members of the group while other members are frustrated, and may create some problems to the leader. LMX has to be used cautiously.

Leader Participation Model

The Leader Participation Model relates to the leadership behaviour and participation in activities. Under the task structure, a leader has to assign several structures to different employees and guide them too. His role becomes important when non-routine functions are involved and the employees require spot guidance. The leader has to perform the employees' job to demonstrate an effective functioning. Similarly, the subordinates are required to participate in the decision-making process. Participation is done through a set of rules which provide the form and amount of participation.

Victor Vroom and Phillip Yetton have given seven contingencies by making 'Yes' or 'No' choices and five alternative leadership styles. Later on, some authors have extended the contingency variables to 12, i.e. Quality Requirement, Commitment Requirement, Leader Information, Problem Structure, Commitment Probability, Goal Congruence, Subordinate Conflict, Subordinate Information, Time Constraint, Geographical Dispersion, Motivation Time and Motivation Development. Leaders can use decision trees to select the leader style. It demonstrates that leadership is situational and not personal. It varies from situation to situation. The leader adjusts himself according to the needs of a situation. Self-monitoring is an important element of the leader participation model.

The situation and not the person is important. It makes a leader behave differently. He may be autocratic, consultative and a group performer based on the needs of the situation. A leader makes his own decision under an autocratic situation and takes the assistance of his subordinates under a consultative situation. The leader shares the problem with his subordinates in a group behaviour. The leader participation model is purely situational. A leader must be flexible and adaptable in his behaviour to achieve success in every situation.

Attribution Theory of Leadership

The Attribution Theory of Leadership is related to perception, i.e. how people view the leader. People establish and develop perception with cause and effect. How a leader behaves has a long-lasting impact on the followers. The event happening is attributed to some causes. The attribution or assigning of a cause to an event gives birth to the attribution theory. The followers attribute many happenings to leadership. If a country faces an acute inflation, it is attributed to the ruling party. It is known here that this attribution may be real or unreal. Just the attribution of inflation to a government is not always correct because there may be other causes of inflation. The attribution theory implicitly explains that a leader should have intelligence, influence, personality, verbal skills, perseverance, and understanding and so on to have an effective influence on the followers. Employees perceive good leaders as those who are high structured (production-oriented) and have high relations (people-oriented). People perceive such leaders best as in all situations. In an adverse situation, they do not blame the leader because they have

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perceived him as the best leader because of his high–high orientation, i.e. high structured and high initiated. If such leaders fail, employees attribute the failure to the situation and adverse conditions. Similarly, attribution theory makes the low–low- oriented leaders always responsible although he is not responsible for failure, because of adverse conditions.

Once a leader is attributed as fully committed, competent, steadfast and consistent, he is always highly regarded by his followers. The attribution theory is based on the perception of the employees. The perception process should be kept in mind while developing leadership. Perception makes a leader highly regarded or vice versa. Employees perceive their leader as heroic if he takes up the challenges of difficult and unpopular causes through a firm determination, persistence and knowledge.

Charismatic Leadership Theory

Followers attribute heroic or extraordinary abilities to their leaders whom they regard as outstanding. A leader should demonstrate those behaviours which are liked by his employees / subordinates. He should be able to distinguish those qualities which are related to charisma from those which are concerned with non-charisma. He should imbibe charismatic qualities. Referent leaders are models for developing charismatic qualities, viz. extremely high confidence, dominance and strong convictions. It has been established that charismatic leaders are those who have a compelling vision, effective communication of the vision to workers, consistency in pursuit of the vision, and who capitalise their own strength and convert the threats into opportunities. Many other authors have given the attributes of charismatic leaders. For example, a leader should idealise the goals to be achieved, develop a strong personal commitment to achieve the goal, have unconventional assertiveness and self-confidence and sharpen the quality of radical change. Charismatic leaders are willing to take personal risks, incur high costs and may sacrifice themselves to achieve the vision. Their behaviour should not be unconventional and counter to established norms. They evoke surprise and bring radical change rather than preserve the status quo. The environmental constraints are converted into favourable situations to achieve the vision.

*Process of charismatic leadership development*The leader develops a strong vision which is articulated by appealing to the followers. An appealing vision provides a sense of continuity for the followers' action. A leader communicates effectively for getting a high performance from his subordinate. He infuses confidence in them for attaining the set goals. It enhances the self-esteem of the followers. A leader conveys his conviction through words and actions. He sets up new values through his own behaviour. He behaves unconventionally to demonstrate courage and conviction. The performance and satisfaction are high in the case of a charismatic leadership. Indian philosophers have given techniques of developing charismatic leadership through developing an aura of charismatic optimistic view, using passion as a catalyst for generating enthusiasm, communicating with whole

body and moulding behaviour as charismatic, i.e. radical motivating behaviour and presence. Verbal communication is more appealing to the followers.

Charismatic leaders have a captivating voice, piercing eyes and an invincible mind to make their followers extraordinary. They project a powerful confidence in their dynamic presence. They exhibit confidence in the ability of the subordinates to meet higher expectations and empathise with the needs of their subordinates. In practice, the charismatic leader maintains direct eye contact, leans toward his subordinates, has a relaxed posture and animated facial expressions. The charismatic leaders have task-adjustment attributes and are appreciable of the followers. A charismatic leader is visible in policies, religion, wartime and life insurance.

Three-dimensional Model

The grid theory of Blake and Mouton had two dimensions, viz. people and production. It does not emphasise on effectiveness. William J Reddin has added the third dimension, i.e. effectiveness to the two-dimensional model. The three-dimensional model known as the 3D Model of Leadership has explained the effectiveness of the leadership styles based on these three dimensions, viz. people, production (relations, task) and effectiveness. The combinations of the four styles, viz. autocratic, bureaucratic, dedication and separation with three dimensions, i.e. relations, structure and effectiveness provide two main models, viz. effective and ineffective. The moderate model is witnessed in between these two models.

Effective styles The effective style is more people, production and effectiveness-oriented. It has been used in the following leadership styles.

1. *Executive style* It has high orientation of task and relationship. It is the most effective style. The leader sets high standards, recognises individual differences and uses team management. He is a very good motivator.
2. *Developer style* It has high relationship but low task orientation. A leader has implicit trust in his followers and develops them more for achievement. He is effective on account of his high relationship with employees.
3. *Benevolent to autocratic style* It has low relationship but high task orientation. The leader knows his followers' wants, which are satisfied with high achievement through production orientation. Needs rather than relationships are important for the employees.
4. *Bureaucratic style* It has low relationship and low structure. The leader wants to maintain control over his employees for getting work done effectively. He sees that work is achieved as per rules.

Ineffective styleThe 3D model reveals the leadership styles under ineffective situation in the following four leadership styles.

1. *Compromiser style* Ithas high structure and high relationship even in unfavourable conditions. It is less effective because of unfavourable situations. It means that even when there is no demand of high–high

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relationship, the leader uses this structure relationship model. The situation is important to practice a high–high relationship. The leader is a poor decision-maker and is affected by pressure. He is not a successful leader.

2. *Missionary style* It has high people and low production-oriented style even when such a style is not required in the situation. This type of behaviour is not needed. The leader is good for everybody everywhere but it does not pay to the organisation.
3. *Autocratic style* Ithas low people and high task-oriented style even when situations do not warrant for such a style. In an adverse situation, this style is ineffective. It becomes unpleasant and non-required.
4. *Deserter style* It has low people and low production-oriented style although it is not suitable for the situation. A particular condition demands for a different leadership style, but the leader is a deserter. In a favourable condition, he is called bureaucratic, because work is done effectively under a low–low relationship.

A particular leadership style can be effective or ineffective depending only on the situation. It infers that a leadership style should be used considering their effectiveness in a situation.

Normative Leadership Model

The normative leadership takes a situation into account. It spells out how exactly an act should be carried out in a given situation. This model reveals how decisions ought to be made in a situation for effective management of people. It simply states that, in a given situation, the management should do what ought to be done in a situation. The normative leadership model consists of five leadership styles, seven situation dimensions, fourteen problem types and seven decision rules as explained by Victor H. Vroom and Phillip W. Yetton.

The five leadership styles are autocratic, consultative, democratic, participative and benevolent. The seven situation dimensions are situation giving rational decisions, sufficient information for quality decisions, structured situation, critical subordinates, accepting subordinates, shared organisational goals by subordinates and conflict with subordinates.

The situations are viewed under two angles, viz. (i) the way problems affect the quality and acceptance of a decision and (ii) the way problems affect the degree of participation.

The normative leadership model considers a suitable decision which is qualitative, acceptable by subordinates and which encourages their participation in a given situation.

The fourteen problem types are based on problems in different situations and their methods of solution. Seven situations with problem solution variables give fourteen problem types.

The seven decision rules are quality, acceptance, time, participative, situation suitability, problem solutions and practical orientation.

Transactional Leadership

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The leader directs his subordinates toward the achievement of goals under the transactional leadership. The goal-oriented leadership has already been discussed in this chapter under behavioural, path goal and participative models. The leader clarifies the roles to be played by the subordinates while performing their respective tasks. It emphasises on effort and performance. The leader guides and motivates his followers to achieve the organisational goals.

Transformational Leadership

Leaders having a transformational leadership develop their subordinates. They are motivated to transcend their self-interest for the good of the organisation. The leader pays attention towards the developmental needs of individual subordinates. The transformational leadership excites, arouses and inspires the subordinates to put an additional effort to achieve the goals of the organisation. It is built on top of the transactional leadership. It means that this leadership develops people for achieving the organisational goals. The subordinates are made high performers and developed employees. It leads to higher productivity and higher employee satisfaction. The charismatic and attribution theories are more of transformational leadership. Transformational leadership has four important features, viz. individualised consideration, intellectual stimulation, inspiration and charisma. It has been proved that this leadership is more effective than the transactional leadership.

Check Your Progress

1. What is leadership?
2. Why is leadership considered as an important component of management?
3. Outline the different characteristics of leadership.
4. What is contingency leadership style?
5. What do you understand by behavioural leadership model?
6. How does path goal model help in leadership development?
7. What does task support mean in path goal theory?
8. Name the four types of leadership styles.
9. Name the unique technique developed by Fiedler to measure the leadership style.

12.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

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1. Leadership is the factor that helps individuals and groups to achieve the goal. It is the process of influencing and supporting employees or others to work enthusiastically toward achieving the objectives. There are three important features of leadership: influence or support, voluntary effort and goal achievement.
2. Leadership is an important component of management because it has the capacity to influence others in order to attain the specified objectives.
3. The leadership has definite characteristics which are retained by an effective leader. His performance, communication, influence, power base interaction, acceptance, followers, situation and attributes are all important natures of leadership.
4. A large number of leadership styles are developed. None of them can be called the best leadership style. The effectiveness of the leadership depends on the situation in which it is used for managing the organisation. It is known as a contingency leadership style.
5. The behavioural model is based on the premises that a specific behaviour distinguishes a leader from a non-leader. The common behaviour of a leader is visible but the behaviour of a leader and non-leader totally differs from each other. Leadership style differs from person to person such as tough talking, intense, autocratic and so on.
6. The path goal model helps in identifying the employees' needs, providing appropriate goals, connecting goal achievement, work rewards, clarifying expectancy and instrumentality relationships.
7. In path goal theory, task support means that a leader helps the employees perform their respective tasks. He/she assembles the resources, money, power and removes constraints. He/she exhibits upward influence and provides recognition contingent upon performance. Leaders behaviour is motivational. The leader helps to satisfy the subordinates by fulfilling their job needs. Awards are given based on better performance. Also, he/she provides coaching, guidance, support and the necessary facilities for an effective performance. The leader attempts to influence the subordinates through his behaviour.
8. The four types of leadership styles are directive leadership, supportive leadership, achievement-oriented leadership and participative leadership.

9. Fiedler has developed a unique technique to measure the leadership style. It is known as the 'Least Preferred Co-worker' which reveals how a leader perceives his worst co-worker. He relates it with human relations and the task-directed style.

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12.5 SUMMARY

- Leadership is the factor that helps individuals and groups to achieve the goal. It is the process of influencing and supporting employees or others to work enthusiastically toward achieving the objectives.
- The leadership has definite characteristics which are retained by an effective leader. His performance, communication, influence, power base interaction, acceptance, followers, situation and attributes are all important natures of leadership.
- The performance of a leader directly influences the leader also. If he asks his employees to come on time, he himself has to reach the workplace on time. The workers follow his behaviour and functions automatically.
- Leadership starts with communication either by deeds or words. The followers can develop themselves by observing and accepting the work or verbal communication of a leader.
- A leader must have the capacity to influence others. Without influencing others, a leader cannot function at all. He influences others morally and socially by using strong communication.
- The influence depends on the power base enjoyed by the leaders. There are five bases of power, viz. coercion, reward, legitimate, expert and reference.
- The relationship between two persons is essentially desired in the management. In public and politics, leadership does not require a relationship. It is merely the interaction between two parties. Without interaction, no one is a leader or a follower.
- The power base and interaction are accepted by followers. If the influence is not recognised and not accepted by the follower, leadership does not take place in an organisation. The behaviour of the follower is changed and developed by the acceptance of the power of leadership.
- Leadership has certain bases for helping an organisation. They are objective, situation, traits, followership and behaviour.
- The objectives may be formal or informal, present or future and so on. Leaders operate in the light of publicity where people know their

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achievements and failures. A leadership creates an envious atmosphere in a competitive situation. A leader should avoid such situations to achieve the objectives smoothly.

- Leadership is the process of influencing others. It has the traits of influencing. These traits are the basic attributes of a good personality, viz. ambition, decisiveness, drive, enthusiasm and health. The success of leadership depends on the traits of intelligence, initiative, supervisory ability, self-assurance and pattern of behaviour.
- Leadership differs from person to person according to their style of functioning in a particular situation. Leadership style differs strongly from positive to negative, from participative, autocratic, free-rein, structure, managerial grid to contingency styles.
- A positive style includes a sympathetic approach to employees, like better employee education, greater autonomy and other affirmative approaches to guide and control the employees. A negative style frightens the employees to perform their work under threatening conditions. The style is related with a leader's model of organisational behaviour.
- The participative style includes the management and employees' cooperation for the development of the organisation. Participative decisions are not unilateral. It includes the consultation of employees entrusted with the job of performance.
- The autocratic style centralises power and decision-making in its leader. It maintains a distance with the employees. The leader considers himself most superior and dictates his decisions to his employees.
- Leadership believing in free-rein style establishes its own goals and works out its own problems. Group members train themselves and provide their own motivation while leaders avoid power and responsibility.
- Leadership is impersonal and emphasis is placed on the consideration and structure of an organisation. It is a task-oriented leadership style. Job consideration is the style of a leader who believes in work and performance.
- A large number of leadership styles are developed. None of them can be called the best leadership style. The effectiveness of the leadership depends on the situation in which it is used for managing the organisation. It is known as a contingency leadership style.
- Various leadership models have been presented by different authors, but important among them are trait, behaviour, path and contingency models.
- Authors of leadership have identified several traits required for an effective management. They are categorised under physical, psychological and social characteristics.

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- Physical characteristics such as height, weight, age, soundness of health and body structure decide the leadership style of the individual leader.
- A leader's psychological approach has more influence on his successful performance. Task-related characteristics have positive results on the leadership. Responsibility, initiative and attitudes shape a leader's qualities. Individuals exhibiting a high motivation and need are able to achieve results promptly.
- The behavioural model is based on the premises that a specific behaviour distinguishes a leader from a non-leader. The common behaviour of a leader is visible but the behaviour of a leader and non-leader totally differs from each other. Leadership style differs from person to person such as tough talking, intense, autocratic and so on. Two main approaches have been designed by the Ohio State University and University of Michigan on the behavioural model.
- Goal plays a central role in leadership development. Martin G. Evans initially presented the leadership model of path goal. The path goal theory is derived from the expectancy theory of motivation.
- The path goal theory offers only a few suggestions to leadership. It requires the consideration of situations. Fiedler's contingency model has improved this theory. The path goal theory considers only goals and methods to achieve them but it ignores the contingency factors which are important for leadership development. Path improvement includes task support, psychological support and role-modelling.
- The trait, behavioural and path goal models of leadership are effective in different situations. They are contingent upon certain conditions. Social psychologists have revealed different situational variables upon which the success of different theories of leadership depend. Their impact on leadership, behaviour, performance and satisfaction are analysed to understand the overall theories of leadership. There are a large number of expectations to the existing knowledge or models of leadership. These expectations are important and are evaluated for a complete understanding of the leadership model. This is known as the contingency approach which is divided into two models: contingency model and situational leadership model.
- Paul Hersey and Ken Blanchard have developed a situational style which depends on the followers' acceptance, readiness, maturity and willingness. Regardless of the experience of a leader, he is not successful unless the followers accept him as a good leader. His effectiveness depends on his followers' ability.

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- Several approaches have been developed by different authors to make leadership effective. The important approaches are Leader Member Exchange (LMX) Theory, Leader Participation Model, Attribution Theory of Leadership, Charismatic Leadership Theory, Three-dimensional Model, Normative Leadership Model, Transactional Leadership and Transformational Leadership.
- The Leader Member Exchange Theory indicates that a leader establishes a special relationship with his subordinates. In a group, all the members are trusted equally although they get disproportionate attention.
- The Leader Participation Model relates to the leadership behaviour and participation in activities. Under the task structure, a leader has to assign several structures to different employees and guide them too.
- The Attribution Theory of Leadership is related to perception, i.e. how people view the leader. People establish and develop perception with cause and effect. How a leader behaves has a long-lasting impact on the followers.
- Followers attribute heroic or extraordinary abilities to their leaders whom they regard as outstanding. A leader should demonstrate those behaviours which are liked by his employees / subordinates.
- Charismatic leaders have a captivating voice, piercing eyes and an invincible mind to make their followers extraordinary. They project a powerful confidence in their dynamic presence.
- The grid theory of Blake and Mouton had two dimensions, viz. people and production. It does not emphasise on effectiveness. William J Reddin has added the third dimension, i.e. effectiveness to the two-dimensional model. The three-dimensional model known as the 3D Model of Leadership has explained the effectiveness of the leadership styles based on these three dimensions, viz. people, production (relations, task) and effectiveness.
- The normative leadership takes a situation into account. It spells out how exactly an act should be carried out in a given situation. This model reveals how decisions ought to be made in a situation for effective management of people.
- The leader directs his subordinates toward the achievement of goals under the transactional leadership. The goal-oriented leadership has already been discussed in this chapter under behavioural, path goal and participative models.
- Leaders having a transformational leadership develop their subordinates. They are motivated to transcend their self-interest for the good of the organisation. The leader pays attention towards the developmental needs of individual subordinates. The transformational leadership excites, arouses and inspires the subordinates to put an additional effort to achieve the goals of the organisation. It is built on top of the transactional leadership.

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12.6 KEY WORDS

- **Leadership:** It refers to the action of leading a group of people or an organization.
- **Behaviouralapproach:** It emphasizes the scientific study of observablebehavioural responses and their environmental determinants. In other words it is the study of the connection between our minds and behavioural.
- **Contingency approach:** It is a management theory that suggests the most appropriate style of management is dependent on the context of the situation and that adopting a single, rigid style is inefficient in the long term.
- **Leader-Member Exchange (LMX) Theory:** It describes how leaders maintain their position in groups and how they develop relationships with other members that can contribute to growth or hinder development.

12.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What is the difference between a manager and a leader?
2. How does situation help in making a man a leader?
3. What are the traits of leadership?
4. Briefly mention about the studies conducted by Ohio State University and University of Michigan studies.
5. How do you define leadership style?
6. What is a leadership model?
7. What is attribution theory of leadership?

Long-Answer Questions

1. Explain the meaning of leadership as defined by different authors.
2. Discuss in detail about the different leadership styles.
3. Describe contingency model and its dimensions.
4. Analyse the situational leadership model.
5. What are the emerging approaches to leadership? Explain.

12.8 FURTHER READINGS

NOTES

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UNIT 13 STRESS AND WORKER WELLBEING

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Structure

13.0 Introduction
13.1 Objectives
13.2 Workplace Stress: Meaning and Consequences
13.3 Theories of Stress
13.3.1 Stages of Stress
13.3.2 Reducing and Managing Stress
13.4 Answers to Check Your Progress Questions
13.5 Summary
13.6 Key Words
13.7 Self Assessment Questions and Exercises
13.8 Further Readings

13.0 INTRODUCTION

Stress is a reaction to a situation. An individual generally feel stressed when the demands of the situation are more than the available reasources at hand. The World Health Organization (WHO) also says that a healthy job is likely to be one where the pressures on employees are appropriate in relation to their abilities and resources given. Workplace stress is the damaging physical and emotional responses that occurs when there is a conflict between job demands in a job and a low amount of control over the situation can lead to the stress. In this unit you will study about the meaning and consequences of workplace stress in detail. In addition to this, the unit also focuses on the different theories of stress and also discusses the ways to reduce or manage stress.

13.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the meaning and consequences of workplace stress
- Discuss the theories of stress
- Understand the outcomes of violence at work
- Describe concepts like job involvement and commitment and equal employment opportunity

13.2 WORKPLACE STRESS: MEANING AND CONSEQUENCES

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Stress has been defined by different authors differently. Stress is a dynamic condition in which a person is faced with constraint and strains. Stress is the discomfort of an individual. Emotional disequilibrium is stress. Real life disequilibrium will not take the form of stress unless it is realised from the heart and mind. In a wider sense, stress is discomfiture whether it creates problems or not. Stress does not always have a negative impact. It is also a source for deep inspiration to work. In that sense, stress is tension which leads to action and performance. Stress in its mild form leads employees to perform better but stress in its gravest form reduces the working capacities of employees. The Greek word for stress is 'eustress' which means 'good form stress' as 'eu' means good in the Greek language. Stress in a broader sense is the interaction of the organism with the environment. The interaction may be for good or bad. Stress in the initial form may be good for a person and an organisation. But, it becomes troublesome for the employees if it continues for a long time. Beehr and Newman define job stress as "a condition arising from the interaction of people and their jobs and characterised by changes within people that force them to deviate from their normal functioning1". Stress makes people deviate from normal functions. It may take the form of inspiration as well as degradation depending on how the stress achiever realises the stress. The environment, apart from mental realisation, also plays a significant role in shaping the stress behaviour. Stress, without doubt, has been accepted by many authors as having a psychological impact. There are examples when employees develop immunity against an adverse environment and are not adversely affected by the stress factors. They do not get tense in their behaviour. However, such immunity is a rare phenomenon which is developed through constant experience and training. John M. Ivancevich and Michael T. Matterson have defined stress as "an adaptive response, mediated by individual characteristics and / or psychological processes, that is a consequence of any external action, situation or event that places special physical and / or psychological demands upon a person2". This definition has clearly laid down the causes and impacts of stress. Moreover, it comes through as an adaptive response which is the result of certain external factors. As the causes are external, it has internal impacts on the body and mind. The mediation by people is a significant tenet of stress as it is the outcome of only the realisation by employees. If they do not realise the external factors as compelling, stress is not formed. The physical and psychological demands refer to the feelings of employees on their body and mind. If the demand or feeling does not occur, the stress does not take place.

Based on the physical and psychological demands, it is specifically mentioned as constraints and desire. If the employee desires something routine, it is normal behaviour. When it is realised by employees due to the external factors, it becomes

constraint. Desire arises when people confront some good opportunities. The constraints and desire take the form of stress if they are not smoothed out or fulfilled in the routine way of working. Opportunities do not lead to stress; but when opportunities are not realised in the normal course of time, it is stress. Stress is visible when there is an uncertainty of the result and the result is very important. When the employees are doubtful about the result and achievement of opportunities, stress sets in. People who do not bother about uncertainty or certainty or its outcome do not feel stress. People having apathy or indifference to the outcome, i.e. about the good or bad results, have no stress. It is the uncertainty and importance of any outcome which creates stress in the person. Employees with an indifferent attitude toward promotion, performance and placement have no stress.

Stress should not be confused with anxiety or nervous tension and damaging functions. They occur as regular features in many cases and have no long-lasting impacts on the working capacities of the employees. Anxiety may remain purely psychological and may not cause any physical impact. Similarly, only physical impacts will not be stress unless it is felt by the mind and heart. The psychological and physical impacts are visible in the form of stress. Anxiety is the cause of stress but not stress itself. Similarly, stress is not simply tension. Unconsciousness is a nervous breakdown, but it is not stress, although stress may cause unconsciousness. Stress is not always bad. Distress is preventable. Stress may create anxiety, nervous tensions and damaging impacts but these are not stress itself.

13.3 THEORIES OF STRESS

When confronted with an uncomfortable situation like appearing for an interview, givinga formal speech, missing a deadline or ending of an important relationship, differentpeople will have different feelings and reactions—some negative and some positive.Stress refers to the body's physiological, emotional, and psychological responses to anindividual's well-being. When the response is in the form of a deviation from healthyfunctioning, the state is called distress (Quick et al. 1997). The reaction which activatesand motivates people to achieve their goals, change their environment, and face life'schallenges is called eustress. In other words, this is the stress that is required for survival.However, most research focuses on distress because it is a significant concern in theorganizational setting (Sauter and Murphy 1995).

Nature of Stress

An individual experiences stress when she perceives the presence of the factor creatingstress as representing a demand that may exceed her ability to respond. The factors thatcause stress have been referred to as stressors. When individuals are under stress, their reaction varies from physiological, psychological to behavioural responses, as have beendiscussed earlier.

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Fight-or-Flight Response

As a result of the reaction to stress, breathing and the heart rate changes and brain activitygoes up to allow the brain to function maximally. Hearing and sight become more acuteand muscles ready themselves for action. These biochemical and bodily changes representa natural reaction to environmental stressors: the fight-or-flight response (Bryant andHarvey 2000). When a predator attacks an animal in a forest, it has two choices: either tofight back or to flee. The animal's bodily response to the stressors (predators) increasesits chances of survival.

The human nervous system responds in the same way to stressors from theenvironment. This response enables survival in a true emergency. However, for mostpeople most of the time, the predators are imaginary rather than real. In a work situation,for example, a fight-or-flight response isn't usually appropriate. If an employee receivesan unpleasant work assignment from a manager, physically assaulting the manager orstorming angrily out of the office is obviously inappropriate. Instead, the employee isexpected to accept the assignment calmly and do the best job possible. Remaining calmand performing effectively may be especially difficult when the employee perceives theassignment as threatening and the body is prepared to act accordingly.

Experiencing Stress

How an individual is going to experience stress is determined by a number of factors.Figure 13.1 identifies four major factors: (1) an individual's perception of the situation, (2) the past experience, (3) existence of social support, and (4) individual differences.Perception of stressors: One of the major factors that determine the extent to whichstress will be experienced depends upon one's perception of the situation. Consider thisexample. Two employees in a multinational organization are relocated to different statesin India. One of them may perceive this to be a challenge and a scope to gain newknowledge and insights. He may view it positively and, therefore, may not experiencedistress. The second one may look at it as a punishment imposed by the authoritiesto delimit his competencies and expose his weaknesses and perceive it negatively and,therefore, experience distress.

Past experience: Depending on the familiarity with the situation and his prior experienceswith the stressors, an individual may perceive a situation to be more or less stressful. Asa result of past experience or training, an individual may be able to deal with the newsituation more calmly and competently as compared to a less-experienced or inadequatelytrained individual. For example, if a department is going in for total computerization, anemployee who has expertise in the use of computers might be far less stressed out thananother employee who does not have prior experience of working with computers.

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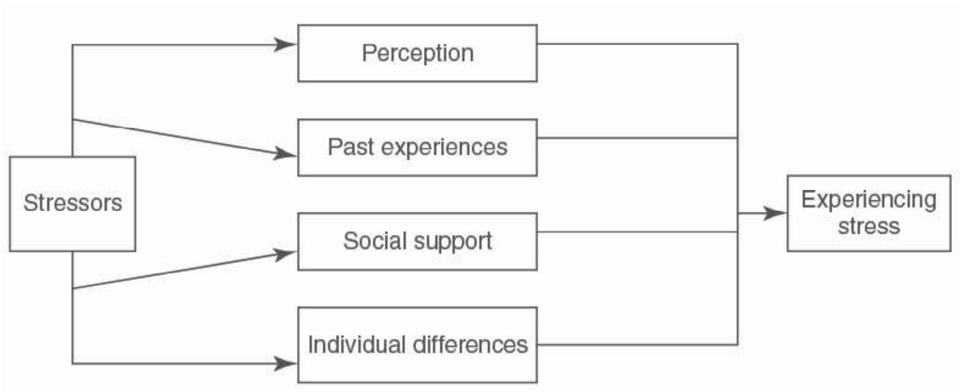


Fig. 13.1 *Factors that Determine Stress Experienced by Individuals*

13.3.1 Stages of Stress

There are three stages of stress: alarm, resistance and exhaustion. GAS (General Adaptation Syndrome) as termed by Hans Selve is another name for stress. He has given three stages of stress.

Alarm

The first stage of stress is alarm wherein the stress mobilises the internal stress system. Many physiological and chemical reactions are observed during the alarm stage. Increased pituitary adrenaline secretions, increased respiration, heart trouble and high blood pressure are observed during the alarm stage. Many employees prevent themselves from becoming more stressed through physiological and psychological treatment.

Resistance

If the alarm stage is not prevented, resistance develops. The body organs become resistant but it paves the ways for the development of other stressors. Nervousness and tension are increased making individuals unable to relax. Individuals develop conflicts, frustration and uneasiness. Illness and diseases attached with stress are developed under resistance. Apparently, individuals feel free from stress, but serious diseases develop stealthily. It is essential to know the causes of stress and avoid them at the begining stage.

Exhaustion

Resistance or resistant stress creates exhaustion. The immunity of the body is reduced. Individuals feel fatigue and inability. Exhaustion develops moodiness, negative emotions and helplessness. The impact of stress is visible in physics, psychology and the behaviour of the employees in an organisation wherein stress has reached the state of exhaustion. Health and psychological depression reduces

the effectiveness of employees. Consequently, the success of an organisation is adversely affected. Stressed employees cannot contribute significantly. A large number of organisations have started stress education to prevent stress from negatively affecting the employees.

Causes of Stress

Employees' stresses are due to organisational and extra-organisational causes. Organisational factors are related to the causes of stress arising within the organisation. Extra-organisational factors are environmental. In simple terms, the causes of stress are environmental, organisational, group-related and individual.

Environmental Factors

Environmental factors are as much contributory as the organisational factors to stress. Political and economic factors influence the behaviour of employees. Law and order problems create tension in the minds of employees. Technological uncertainties have a diverse impact on the people. Social pressures on the employees are commonly observed in the form of dissatisfaction. The outside forces have a tremendous impact on the employees. Ivancevich and Matterson have identified societal, economic, financial, cultural, familial andtechnological factors as influencing the mental status of employees. Social factors influence the lifestyle and behaviour of people. Health programmes, civic facilities and social institutions reduce stress. Family problems are highly influencing factors in reducing the effectiveness and efficiency of employees. Children's education and health always influence the mental status of employees. In India, racial association make people feel happy, whereas cross-racial association create problems. Differences in sex have been the cause of conflicts in many countries, which are reflected in the organisational behaviour.

Organisational Factors

Organisational factors such as management–labour relations, working conditions, resource allocations, role of trade unions, behaviour of co-workers, etc. are important factors which cause stress to the physiology and psychology of employees. Organisational policies and working procedures are not the least influential factors of an organisation. Strained management and labour relations create more tension than an individual's relationship with his co-worker. The organisational structure has to be properly designed to reduce strained relations. Stress is caused generally by too much autocracy, centralisation, lack of participation in decision-making, less chances of promotion, high degree of specialisation and sophistication, line staff conflicts, inter-departmental rifts, less attention to merited employees and so many other structural factors.

Working conditions which include temperature, dust, heat, business, lack of safety devices, lack of privacy, presence of toxic chemicals and radiation, air

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pollution, inadequate lighting and other physical conditions create stress in the minds and bodies of the employees. Resources are scarce and often unevenly distributed for production purposes. Employees getting more resources are in a position to put in more work. They become entitled for better pay and promotion. Workers getting less and inferior resources do not get adequate rewards because of their inadequate performance. Stress is observed due to biased and unjustified management style. The trade unions have been creating different levels of stress. Sometimes, the employees' demands are put in an illogical manner. They are unfulfilled. Multiple unions create more problems than solving them.

Organisational policies and procedures have a long-lasting impact on the mental and physical behaviour of the employees. Unfair and inadequate pay, rigid rules, rotation, ambiguous policies and unrealistic job designs cause more stress. Poor procedures, inadequate communication, conflicting jobs, inadequate and poor performance measurement, biased control and improper systems increase stress.

Task design, role demands and organisational objectives have diverse impact on stress. Job autonomy, task variety, task force and task relationships are included under task design. Interdependence of the employees poses potential stress. Role demands such as role expectations, role conflicts, role ambiguity, lack of social support, and poor interpersonal relationships cause stress. Organisational objectives direct the managerial style, role of the chief executive, control mechanism and behaviour of employees. Retrenchment, lay-off and other uncertainties lead to dissatisfaction.

Group Factors

An organisation includes group and individuals who influence each other and are influenced by the other. They cause stress and reduce it as well. Lack of group cohesiveness, lack of social support and group conflicts are potential causes of stress. Lack of togetherness is stress producing. Employees get satisfaction at the social level after returning from job performance. Job appreciation is also done by one's family and related members apart from the organisation's boss. If the employees are degraded by their families and other members of society, they develop apathy and tension on that account. Group conflict includes incompatibility of goals and objectives, performance and rewards. The wide differences in these factors create stress in the minds of employees.

Individual Factors

Individual factors such as personal characteristics, life changes and role perceptions create stress in different forms at different levels.

Personal characteristics It includes personality traits such as masculinity, extroversion, rigidity, spontaneity, locus of control, etc. which are potent causes of stress. These factors in themselves create tension and confusion. These traits

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are known as 'Type A personality'. Managers, specialists, secretaries, scientists and other professionals possess Type A personality. They have stable characteristics and experience stress because of chronic and incessant struggle to achieve more and more. They are more emotional and sensitive to achieve organisational goals. Such persons compete with others as well as with themselves based on their past achievements. They are prone to stress very easily as they are frustrated with the slightest decline in their achievement. On the contrary, 'Type B personality' is not very sensitive and is a less potent cause of stress. Persons of Type B personality are not concerned with time and are relaxed, mild, slow, carefree and less objective-oriented. Type B personality has patience and coolness which are required for top executives.

Life changes Life and career changes are stress-producing. Fast changes are more dangerous than the slow changes as fast changes have graver stress. Heart attacks are commonly observed in the case of fast changes in life and careers. Family problems as well as swift promotions are cases of fast changes. Economic and social problems are attached with life changes. A belief in locus of control decides the destiny. Internals, i.e. people who believe in work, are more stress prone than the externals, i.e. people who depend on god for success and failure.

Role perceptions Individuals have multiple roles to perform successfully. A person has to work as a father, husband, boss, junior, friend and so on. In his diverse roles, he comes into contact with stress as it is difficult to perform equally well in all the diverse roles. In a job, for example, he has to face role ambiguity, poor communication, role conflicts, and overloads of different roles. Stress factors are additive. It is necessary to control stress in the initial stages itself.

Effects of Stress

The effects of stress are visible in different forms. Some persons suffer from high blood pressure, ulcers and loss of appetite. Others face difficulties in making routine decisions, are very irritable and develop other mental problems. Stress is not always disturbing. In some cases, stress helps in the development of people. It is possible in a low level of stress which may be called either deep intention, tension or restlessness to achieve certain objectives. A low level of stress enhances the job performance. Employees try to find new ways of performance and achieve excellence in performance techniques. Mild stress provides an impetus to work harder and perform better. A job involving professional expertise is pushed up with mild stress. People who do physical work do not benefit from mild stress, although low stress may motivate them to work harder. A constant pressure of stress reduces one's working capacities. The consequences of stress are divided into physiological, psychological and behavioural.

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Physiological Effects

The impact of stress is mostly visible on one's body. Stress affects metabolism, increases heart beats and breathing rates, causes headache and high blood pressure. These symptoms do not directly influence an individual's performance on his job. They reduce the performance till it becomes chronic and acute. There is no direct link between job stress and physical problems because extraordinary factors also influence the stress level. Many researchers have concluded that ulcers, arthritis, cancer and heart diseases are the result of stress. Serious physical ailments have drastic effects on individuals. Efforts should be made to avoid stress to keep employees healthy and active for achieving the organisational goals.

Psychological Effects

Stress affects the body as well as the mind of a person. Physical and mental health are adversely affected by stress. It has been observed that physical problems due to stress are possible only through mental tension. Stress directly affects the mind and the mental pressure creates several physiological problems. Mental health is adversely affected due to constant and chronic stress. It can be stated that stress influences the mind which weakens the body as a weak mind creates a weak body. High blood pressure is caused by mental tension. Cancer is the after-effect of secretion of negative liquids of glands, which are directly affected by the mind. A sound mind secretes positive juices from the glands which make the body healthy and happy.

High levels of stress are always putting pressures on the mind which are visible in the form of anxiety, depression, nervousness, tension, irritation and so many negative consequences. These visible forms of stress cause negative impacts on the body which develops serious types of diseases such as cancer, heart disease, blood pressure and mental disorders.

The working capacities of the employees decline as a result of low morale and self-esteem. Often, the subordinates do not discuss even important problems with their superiors because the latter speaks very harshly with the subordinates. Harsh behaviour is due to excessive work pressure and chronic tension. Ultimately, the work of an organisation suffers. Such superiors also lose their respect which again causes them more tension. Stress creates a vicious cycle in the organisation. Employees under constant pressure are unable to contribute significantly. Quality and quantity show a decline and immediately superiors are questioned. In turn, the superiors are annoyed and then the subordinates are put under pressures. The mental effects are more dangerous than any other effects. The co-workers, subordinates and superiors are disgusted with stressful managers who become restless about the dissatisfied performances of their employees.

Behavioural Impacts

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The impacts of stress have an ultimate impact on the behaviour of people, although it has a direct impact on the mind and body. A distressed mind and disease-prone body cannot have proper behaviour. A sound mind and healthy body behaves properly. Stressed people are unable to control their mind and body. They become moody, lazy and irritable. Sometimes, they resort to bad practices to avoid the pressure of stress. Alcoholism, speculation, fidgeting, increased smoking, aloofness and inaction are the visible behaviour of stressful employees. While at work, they talk about stress and leave work uncompleted. Drinking alcohol during worktime is a great problem. Many stressful employees drink too much. It reduces their working capacity. Absenteeism is the main problem of stress because mentally and physically disturbed people do not attend their work. Absentees are retrenched which causes dissatisfaction amongst the employees. The stress should be prevented in the early stages.

13.3.2 Reducing and Managing Stress

Management strategies have discussed the ways and means of coping strategies such as job design, design rotation, job description, goal setting, organisational behaviour, group dynamics, conflict management, leadership control techniques. The strategies for coping stress are divided into two parts: individual and organisational.

Individual Strategies

Under individual strategies, employees take personal responsibilities for reducing their respective stress. They try to prevent the stress as well as to reduce the stress. They may request for job transfers, find alternative employment, request for an early retirement, take tours and resort to physical exercise. Individual strategies are time management, physical exercise, behavioural self-control, relaxation training, cognitive therapy and social support.

Time management Time management is an effective technique of managing stress. Proper and adequate time utilisation is a preventive as well as a curative device. On the other hand, poorly managed time creates stress and strain. Time management helps to reduce tension because individuals easily achieve their objectives within a specified time. The time management principles involve making daily lists of activities, priority activities, scheduling activities according to priority lists, knowing daily cycle and daily job nature. Allocation of time schedule and quantum of time to each activity of the day makes people understand as to how to use time most effectively.

Physical exercises Routine and relaxed exercises reduce the tension of employees. Competitive exercises increase tension and non-competitive exercises

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relax people. Non-competitive physical exercises include aerobatics, walking, jogging, swimming and riding a bicycle. Suitable physical exercises are suggested by physicians to reduce a particular type of tension. For example, blood pressure is controlled by jogging and heart disease is prevented by regular morning walks and so on. Moreover, all types of physical exercises divert the mind from tension and stress. Physical exercise is reactive and proactive to lessen the problems of stress.

Behavioural self-control Learning and personality development help manage tension. Proper behaviour prevents stress. Behaviour has a direct impact on performance which causes satisfaction and stress. Frustrated employees resort to unethical and immoral practices. People have the capacity of self-control by deliberately managing the antecedents. Individuals, if they so desire, can control their own behaviour by adopting exemplary paths of successful persons. Self-introspection makes people behave properly.

Relaxation training People adopt certain relaxation techniques such as biofeedback and meditation for getting relaxation from stress and tension. Meditation involves quiet, concentrated inner thoughts in order to rest the body and mind. It includes muscle and mental relaxation. Transcendental Meditation (TM) is practiced to reduce stressful situations. It involves meditation or sitting relaxed for fifteen to twenty minutes in a day. While concentrating, people recite certain mantras. Yoga is also used for relaxation. Meditation reduces stress and tension. It helps to maintain peace and control one's heartbeat.

Cognitive therapy A number of psychological techniques are used to keep employees free from stress. Ellis and Meichenbaum have used emotive and cognitive behaviour modification models to reduce job stress. Physiological and emotional responses are recognised for increasing work efficiency. Hormones produced by the adrenal glands have a positive impact on mental satisfaction. Cognitive strategy helps the self-control of people.

Social support People are benefitted by social support. It reduces job stress. Good listeners and confidence builders are essential for managing stress. The expansion of social support network is a means of reducing tension.

Organisational Strategies

Organisational strategies include the ways and means attached with the organisational structure, goal setting, designing and redesigning of jobs, improved communication, employees involvement and other organisational strategies for reducing stress. Organisational stressors are categorised in terms of corporate policies, physical condition, organisational structure, process and functions which are focused for developing organisational strategies. Each and every stressor is worked out to eliminate organisational stress. For example, pay plans, promotion

policy and job designs create stress in an organisation if they are not properly formulated. The individual and organisational stress is removed if they are formulated in a broader perspective considering the employees' interests and organisational goals. Similarly, organisational strategies are developed in other areas of organisational stress. Specific goal setting and job designing, reducing conflict, developing career plans, creating healthy organisational climate and providing counselling are strategies considered in an organisation to reduce stress.

Goal setting and job designing Goal incompatibility creates stress. Therefore, it is essential to set the goals to avoid stress and conflict. Individuals perform better when they have specific and challenging goals. Goals provide motivation to work. Similarly, goal feedback reduces uncertainties and clarifies the performance. Consequently, stress is minimised as the frustration and ambiguity are avoided by clarifying specific goals. Job designed as per set goals reduces all sort of problems. Employees are aware of their respective variety of skills, task identity, task significance, autonomy and feedback. Enriched tasks reduces stress. Enriched jobs motivate many growth-oriented employees, whereas the non-growth-oriented people get job stress. Such people feel increased stress with enriched jobs. Redesigning of jobs is essential in the light of different characteristics of employees. Role defining makes employees specific performers. Uncertainties and ambiguities are reduced to manage the stress favourably.

Reducing conflicts Role ambiguity is the main cause of conflict. An organisation must reduce functional as well as dysfunctional conflicts as discussed in the chapters on conflict. The expectation–performance relation, performance award relations and organisational attitudes are well defined to reduce any sort of ambiguity and misunderstanding. Employees are not left with any conflicts and strained relations in an efficient organisation. Stress management on the basis of conflict resolving is fully discussed in a previous chapter on conflict.

Developing career plans The employees are told about their career plans and future development. The employees' development is an essential feature of stress management. An employee with a developed outlook and skill can perform better without stress. Undeveloped employees are always under stress whether real or expected. Training and career development has a positive impact on the development of employees. Theoretical teaching has no impact on employees development. Practical training and job demonstration reduce all sorts of ambiguities of jobs. Real-life examples are demonstrated to help the employees to develop themselves. The career planning and development exercises are continuous and regular features of organisation development. If it is broken, stress is witnessed. It becomes essential to adopt total, comprehensive, organisational entry to existing activities of the organisation and employees' development. Devices are developed to aid the individual in self-assessment and increased self-understanding.

Educational and experimental programs and counselling are used for developing the employees.

Creating healthy climate A congenial atmosphere of work and relationship prevents any sort of stress. Sometimes, individual stress is reduced when employees enter the workplace. Friendly talk and healthy conditions help people reduce their family tension. The tension one encounters at home is avoided at the office and factory. Researches have revealed that employees try to forget the tension of family problems at other places of peace. If factory and office prove to be peaceful places, people would like to stay for longer hours there instead of going home early. An air-conditioned office is a place of attraction for employees. Similarly, there are a number of elements which may be more attractive than the home. A healthy atmosphere in an organisation includes proper lateral, vertical, diagonal communication, congenial work climate and promotional avenues. Organisational structure is developed accordingly. Formal communication reduces uncertainty.

Providing counselling Counselling is an exchange of ideas and feelings between two persons or parties. It helps the employees to cope with problems and improve the organisational performance. Personal counselling has been a permanent function of many organisations. It solves the problems of the employees while at work or at home. Counselling has proved an important factor of stress management. Advice, reassurance communication, release of emotional tension, clarified thinking and reorientation are six functions of counselling. Similarly, non-directive, participative and directive counselling are useful techniques of counselling. These techniques are used for solving the stress problems of the employees.

Violence at Work

Violence is a complicated phenomenon in itself. There are different contexts and cultures in the perception of violence. The World Health Organisation defines violence as "the intentional use of physical force or power, threatened or actual, against oneself, another person, or against a group or community, which either results in or has a high likelihood of resulting in injury, death, psychological harm, maldevelopment, or deprivation."

However, so far there is not a single or uniform definition of workplace violence has emerged. But most definitions of workplace violence refer to both physical and psychological acts. The various acts of violence may start from minor cases of disrespect to criminal offences: including, homicide, physical assault, threat, verbal insult, harassment (bullying, mobbing), sexual harassment and discrimination

According to the definition of workplace violence proposed by the International Labour Organisation (ILO) "… any action, incident or behaviour that departs from reasonable conduct in which a person is assaulted, threatened, harmed, injured in the course of, or as a direct result of, his or her work".

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Types of workplace violence

Workplace violence is also termed as occupational violence. If one talks about the origin of the source of the workplace violence, it is often made between internal and external violence. Internal workplace violence takes place between workers for example aggressive debate or behaviours between superiors and subordinates. However, external workplace violence is executed by individuals outside the organization.That is why external workplace violence is also called as third party violence. In the same way, there are also distinction between criminal violence, co-worker violence, client initiated violencewithin a work setting. In spite of this, some definitions of workplace violence plainly exclude violence among colleagues (internal violence) as well as domestic violence. Since the nature of these incidents may be totally different from that of third-party violence. In regard with the sequence of aggressive behaviours, workplace violencecan include a one-off incident, but it may also comprise of repeated actions. In 2008, the ILO stated:"these actions may be relatively minor by themselves, but the accumulation may come to constitute a serious form of workplace violence."

Work Motivation Theories

According to needs theories of motivation, motivation is 'the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need'.

A need in this context is **an internal state** that makes certain outcomes appear attractive. An unsatisfied need creates tension that stimulates drives within the individual. These drives then generate a search behavior to find particular goals that, if attained, will satisfy the need and lead to the reduction of the tension.

Here is an overview of the different needs theories. They show the similarities and differences between the workplace motivation theories based on needs.

Maslow	**Alderfer ERG**	**McClelland**
Self Actualisation Needs Esteem Needs	Growth Needs	Achievement Motive Power Motive
Social Needs	Relatedness Needs	Affiliate Motives
Safety Needs	Existence Needs	Avoidance Motives
Physiological Needs		

QWL, Turnover and Absenteeism

As already been discussed earlier, Quality of Work Life (QWL) is defined as the overall quality of an individual's working life. QWL is sometimes considered as a

sub-concept of the broad concept of quality of life, which refers to the overall quality of an individual's life.

Job Involvement and Commitment

Job involvement and commitment is a part of work motivation theories. In the current climate of turbulent changes, companies have begun to realize that the employees represent their most valuable asset (Glen, 2006; Govaerts et al., 2011; Fulmer and Ployhart, 2014; Vomberg et al., 2015; Millar et al., 2017). Satisfied and motivated employees are imperative for contemporary business and a key factor that separates successful companies from the alternative. When considering job satisfaction and work motivation in general, of particular interest are the distinctive traits of these concepts in transition economies.

The Hawthorn experiment, conducted in early 1930s (Mayo, 1933), spurred the interest of organizational behavior researchers into the problem of work motivation. Although Hawthorn focused mainly on the problems of increasing the productivity and the effects of supervision, incentives and the changing work conditions, his study had significant repercussions on the research of work motivation. All modern theories of work motivation stem from his study.

Building on his work, Maslow (1943) published his 'Hierarchy of Needs' theory, which remains to this day the most cited and well known of all work motivation theories according to Denhardt et al. (2012). Maslow's theory is a content-based theory, belonging to a group of approaches which also includes the ERG Theory by Alderfer (1969), the Achievement Motivation Theory, Motivation-Hygiene Theory and the Role Motivation Theory.

These theories focus on attempting to uncover what the needs and motives that cause people to act in a certain way, within the organization, are. They do not concern themselves with the process humans use to fulfill their needs, but attempt to identify variables which influence this fulfillment. Thus, these theories are often referred to as individual theories, as they ignore the organizational aspects of work motivation, such as job characteristics or working environment, but concentrate on the individual and the influence of an individual's needs on work motivation.

The approach is contrasted by the process theories of work motivation, which take the view that the concept of needs is not enough to explain the studied phenomenon and include expectations, values, perception, as important aspects needed to explain why people behave in certain ways and why they are willing to invest effort to achieve their goals. The process theories include: Theory of Work and Motivation (Vroom, 1964), Goal Setting Theory (Locke, 1968), Equity Theory (Adams, 1963), as well as the The Porter-Lawler Model (Porter and Lawler, 1968).

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Each of these theories has its limitations and, while they do not contradict each other, they focus on different aspects of the motivation process. This is the reason why lately they have been several attempts to create an integrated theory of work motivation, which would encompass all the relevant elements of different basic theories and explain most processes taking place within the domain of work motivation, the process of motivation, as well as employee expectations.

Equal Employment Opportunity

Equal employment opportunity is an employment practice where employers do not engage in employment activities that are prohibited by law. It is illegal for employers to discriminate against an applicant or employee on the basis of:

- Race
- Age
- Colour
- Sex
- Religion
- National origin

These laws generally do not aim to create equal outcomes, but rather seek to ensure that all employees or job applicants have an equal opportunity to engage in the employment market. In other words, these laws try to level 'the playing field' so that certain classes of people who have been discriminated against in the past are not subjected to adverse treatment based upon certain characteristics that have nothing to do with being a qualified job applicant or employee.

Indian constitution encapsulates social safeguard measures for all citizens of India in Article 15 and Article 16. Article 15 mandates prohibition of discrimination on grounds of religion, race, caste, sex orplace of birth.Article 16 mandates equal opportunity in matters of public employment. Article 16(2) furtherstates that no citizen shall on grounds only of religion, race, caste, sex, descent, place of birth,residence or any of them, be ineligible for, or discriminated against in respect of, anyemployment or office under the State.

The United Nations Convention on Elimination of Discrimination against Women, 1979, UnitedNations International Convention on the Elimination of All Forms of Racial Discrimination(1965), the Universal Declaration of Human Rights International Covenant on Economic, Socialand Cultural Rights (1966), strongly advocate against discrimination in their respective domains.

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Digital Empowerment Foundation ("DEF") has endeavored to capture the spirit of the abovenational and international statues in EEO and Anti-discrimination Policy.DEF is committed to promoting equal employment opportunities and a workplace that is free ofall forms of discrimination. Equal opportunity means that all staff experience fairness,impartiality and equal access to all career initiatives in the DEF.

DEF commitment to equal opportunity promotes an inclusive work environment that valuesand accepts the diverse cultural and social backgrounds of its staff.

This EEO and Anti-Discrimination Policy is consistent with the DEF's pursuit of excellence.Thispolicy is underpinned by a set of values and key guiding principles in the building of acommunity of all employees.

The objectives of this Equal Employment Opportunity (EEO) and Anti-Discrimination Policy areto ensure that all:

1. DEF's employees or potential employees do not suffer unfair discrimination in the workplace.
2. Individuals and groups within the DEF work in an environment where all decisions are free ofdiscrimination, where they have equal opportunity based on relevant abilities and merit.
3. Employees are encouraged to take positive action towards promoting equal opportunitythroughout the organization.
4. Personnel actions, such as compensation, benefits, transfers, layoffs, company-sponsoredtraining programs, and social and recreational programs, will be administered on a non-discriminatory basis.
5. Application of labour laws to be uniformly applied in the organization.

Check Your Progress

1. Define stress.
2. What is the difference between anxiety and stress?
3. Name the three stages of stress.
4. What are the important factors which cause stress to the psychology of employees?
5. What are the individual strategies for reducing and managing stress?
6. Name the various types of workplace violence.
7. What is equal employment opportunity?

13.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

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1. Stress has been defined by different authors differently. Stress is a dynamic condition in which a person is faced with constraint and strains. Stress is the discomfort of an individual. Emotional disequilibrium is stress.
2. Anxiety is the cause of stress but not stress itself. Similarly, stress is not simply tension. Unconsciousness is a nervous breakdown, but it is not stress, although stress may cause unconsciousness. Stress is not always bad. Distress is preventable. Stress may create anxiety, nervous tensions and damaging impacts but these are not stress itself.
3. There are three stages of stress: alarm, resistance and exhaustion.
4. Organisational factors such as management–labour relations working conditions, resource allocations, role of trade unions, behaviour of co-workers, etc. are important factors which cause stress to the physiology and psychology of employees.
5. Individual strategies for reducing and managing stress are time management, physical exercise, behavioural self-control, relaxation training, cognitive therapy and social support.
6. There are two types of workplace violence, namely internal workplace violence and external workplace violence.
7. Equal employment opportunity is an employment practice where employers do not engage in employment activities that are prohibited by law.

13.4 SUMMARY

- Stress has been defined by different authors differently. Stress is a dynamic condition in which a person is faced with constraint and strains. Stress is the discomfort of an individual. Emotional disequilibrium is stress.
- Based on the physical and psychological demands, it is specifically mentioned as constraints and desire. If the employee desires something routine, it is normal behaviour. When it is realised by employees due to the external factors, it becomes constraint.
- An individual experiences stress when she perceives the presence of the factor creatingstress as representing a demand that may exceed her ability to respond. The factors thatcause stress have been referred to as stressors.

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- How an individual is going to experience stress is determined by a number of factors.Figure 13.1 identifies four major factors: (1) an individual's perception of the situation, (2) the past experience, (3) existence of social support, and (4) individual differences.
- There are three stages of stress: alarm, resistance and exhaustion. GAS (General Adaptation Syndrome) as termed by Hans Selve is another name for stress. He has given three stages of stress.
- Employees' stresses are due to organisational and extra-organisational causes. Organisational factors are related to the causes of stress arising within the organisation. Extra-organisational factors are environmental. In simple terms, the causes of stress are environmental, organisational, group-related and individual.
- Environmental factors are as much contributory as the organisational factors to stress. Political and economic factors influence the behaviour of employees.
- Organisational factors such as management–labour relations, working conditions, resource allocations, role of trade unions, behaviour of co-workers, etc. are important factors which cause stress to the physiology and psychology of employees.
- An organisation includes group and individuals who influence each other and are influenced by the other. They cause stress and reduce it as well. Lack of group cohesiveness, lack of social support and group conflicts are potential causes of stress.
- Individual factors such as personal characteristics, life changes and role perceptions create stress in different forms at different levels.
- The effects of stress are visible in different forms. Some persons suffer from high blood pressure, ulcers and loss of appetite.
- Stress affects the body as well as the mind of a person. Physical and mental health are adversely affected by stress. It has been observed that physical problems due to stress are possible only through mental tension.
- Management strategies have discussed the ways and means of coping strategies such as job design, design rotation, job description, goal setting, organisational behaviour, group dynamics, conflict management, leadership control techniques.
- Under individual strategies, employees take personal responsibilities for reducing their respective stress. They try to prevent the stress as well as to reduce the stress.

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- Individual strategies are time management, physical exercise, behavioural self-control, relaxation training, cognitive therapy and social support.
- Organisational strategies include the ways and means attached with the organisational structure, goal setting, designing and redesigning of jobs, improved communication, employees involvement and other organisational strategies for reducing stress.
- Goal incompatibility creates stress. Therefore, it is essential to set the goals to avoid stress and conflict. Individuals perform better when they have specific and challenging goals. Goals provide motivation to work.
- Role ambiguity is the main cause of conflict. An organisation must reduce functional as well as dysfunctional conflicts as discussed in the chapters on conflict.
- Training and career development has a positive impact on the development of employees. Theoretical teaching has no impact on employees development. Practical training and job demonstration reduce all sorts of ambiguities of jobs.
- Counselling is an exchange of ideas and feelings between two persons or parties. It helps the employees to cope with problems and improve the organisational performance. Personal counselling has been a permanent function of many organisations.
- Violence is a complicated phenomenon in itself. There are different contexts and cultures in the perception of violence. The World Health Organisation defines violence as "the intentional use of physical force or power, threatened or actual, against oneself, another person, or against a group or community, which either results in or has a high likelihood of resulting in injury, death, psychological harm, maldevelopment, or deprivation."
- According to needs theories of motivation, motivation is 'the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need'.
- Job involvement and commitment is a part of work motivation theories. In the current climate of turbulent changes, companies have begun to realize that the employees represent their most valuable asset.
- Equal employment opportunity is an employment practice where employers do not engage in employment activities that are prohibited by law.

13.5 KEY WORDS

- **Stress:** It refers to the pressure or tension exerted on a material object.
- **Management Strategies:** It involves setting objectives, analyzing the competitive environment, analyzing the internal organization, evaluating strategies, and ensuring that management rolls out the strategies across the organization.
- **Role Ambiguity:** It occurs when people are unclear or uncertain about their expectations within a certain role, typically their role in the job or workplace.
- **Equal Employment Opportunity:** EEO is a right every job applicant has throughout a hiring process. It refers to the protection job candidates have against discrimination on the basis of their race, religion, sex or national origin, among other qualified characteristics.

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13.6 SELF ASSESSMENT QUESTIONS AND EXERCISES

Short-Answer Questions

1. What do you mean by group conflict?
2. Briefly mention some effects of stress.
3. Write a short note on various organisational strategies for reducing and managing stress.
4. How will you explain violence at work?
5. What are the objectives of equal employment opportunity and anti-discrimination policy?

Long-Answer Questions

1. Describe the consequences of workplace stress.
2. What are the different stages of stress? Discuss.
3. Discuss the individual factors that create stress in different forms at different levels.
4. Analyse the physiological and psychological effects of stress.
5. Explain the different work motivation theories.

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UNIT 14 ORGANIZATIONAL CULTURE

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Structure

14.0 Introduction
14.1 Objectives
14.2 Functions of Organizational Culture
14.3 Organizational Change, its Effect, Managing Change and Resistance to Change
14.4 Organizational Structure and Design
14.5 Organizational Behaviour Modification Process
14.6 Quality of Work Life and Employee Assistance Programs
14.7 Answers to Check Your Progress Questions
14.8 Summary
14.9 Key Words
14.10 Self Assessment Questions and Exercises
14.11 Further Readings

14.0 INTRODUCTION

Organizational culture comprise of an organization's outlooks, experiences, philosophy, values that guide employees and member behaviour, and is expressed in member self-image, inner workings, interactions with the outside world, and future expectations. Culture is established on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid. In this unit, you will study in detail about the meaning and functions of organizational culture. You will also examine the effects of organizational change and also learn the ways to manage the resistance to change that occurs. The unit goes on discussing the organisational structure and design and also describes the organizational behaviour modification process. In addition to this, the unit also explores in detail the quality of work life and employee assistance programs.

14.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the functions of organizational culture
- Analyse the effects of organizational change and ways to manage and resist the change
- Discuss the organizational structure and design
- Describe the organizational behaviour modification process
- Identify quality of work life and employee assistance programs

14.2 FUNCTIONS OF ORGANIZATIONAL CULTURE

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Organizational culture is the accumulated tradition of organizational functioning. It is based on certain values, norms and positive attitudes of an organization. Organizational environment becomes a culture if it is used for motivating people to avoid any friction and adopt the valuable tradition of the organization. Organizational culture is intangible and functions like invisible hands which guide the employees of an organization for better performance and more satisfaction. It influences everybody and is also influenced by everybody's thinking and action.

The success of any organization depends on its culture, as it is the invisible power governing the organization. When the thinking and action of the employees are institutionalised, organizational culture takes birth. It continues to guide for a better achievement. The employees and other people of an organization enjoy the culture which is immortal and invisible. Organizational culture is its strong soul which makes its functions possible and lively. With the accumulated value, it becomes extremely stronger. The organizational culture is viewed as the corporate image by the public. It enjoys market, production and financial functions. People are guided to decide what is right and what is wrong if the organizational culture is visualised, as spirited persons can easily decide what is correct and incorrect.

Characteristics of Organizational Culture

Several authors have given different features for organizational culture. They are assumptions and values, sharing of perception, risk taking, management attitudes, employees' inclination, team building, competitiveness and stability. The structure, autonomy and conflict are used for developing the culture of organizations. A combination of these factors is the organizational culture.

Assumptions and Values

Organizational culture includes the assumptions and values of an organization. These assumptions are believed explicitly. Workers, managers and the top management view the organizational culture in the same pattern, although they have different views individually. The behavioural pattern depends on certain invisible assumptions and their values.

Sharing of Perception

The people of an organization mutually agree on certain perceptions although they have different attitudes and beliefs. Their common beliefs and attitudes are part of the organizational culture. They share a common perception of the organization.

Risk Taking

Organizational culture is influenced by the degree of risk and challenges faced by the employees. The methods of recruitment and training decide the risk-taking

factor. Internal and external environment have a close connection with the decision of risk-taking.

Management Attitude

The management's attitude has a direct impact on the behaviour of the employees. Subordinates are supported by the management for inculcating a healthy culture. The management's active interest and support are needed for the purpose. Employees develop a feeling of having received an adequate and equitable reward under a congenial atmosphere. The management with its focus on results, provides positive attitudes. Warm feelings of the superior make the employees happy and production-oriented. Managers are expected to exhibit precision and attention to people's problems.

Employees' Inclination

Organizational culture depends on the employees' inclinations which are influenced by their perception, learning and personality. If the employees take a positive view of the management's attitude, a people oriented climate is developed. The degree of confidence, tolerance and fellowman ship of the employees decides the culture of the organization. Training and management development programmes are part of the culture. Individual's satisfaction is part of a good culture.

Team Building

The management helps team building, cultural and behavioural characteristics are used for the development of a group. Behaviour of groups helps the accumulative nature of culture. More emphasis on team building helps cultural development.

Competitiveness

A competitive atmosphere helps in developing the culture. Intragroup, intergroup and individual competitiveness demonstrate the wider scope of culture. Their positive attitudes help build good behaviour. But, negative attitudes create conflicts. Aggressive attitudes destroy culture while supportive attitudes build good culture.

Stability

The stability in organizational function is referred to as a culture. Rules, regulations and officialisms are maintained without favouring any person. Impersonal approach has a direct impact on the behaviours of the employees.

Structure

The organizational structure is a part of culture. Bureaucratic and mechanic structures have a different culture than the democratic and organic structures. The feeling of one's responsibility and self-development are visible in the organization's climate. The degree of autonomy has a great influence on culture.

14.3 ORGANIZATIONAL CHANGE, ITS EFFECT, MANAGING CHANGE AND RESISTANCE TO CHANGE

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Change is a reality that individuals, groups, and organizations must constantly cope with in order to survive. Change is one of the most critical aspects of effective management. It is the coping process of moving from the present state to a desired state that individuals, groups, and organizations undertake in response to dynamic internal and external factors that alter current realities.

To a certain extent, all organizations exist in a changing environment and are constantly changing themselves. For example, according to Kiechel (1993), the world of business is thought to be changing in the following ways:

1. The average company will become smaller, employing fewer people.
2. The traditional hierarchical organization will give way to a variety of organizational forms, such as networks of specialists.
3. Technicians ranging from computer repair technicians to radiation therapists will replace manufacturing operatives as the worker elite.
4. A horizontal division of labour will replace the vertical division of labour.
5. The emphasis of many businesses will shift from making a product to providing a service.
6. Work itself will be re-defined with more emphasis on constant learning and higher order thinking.

Increasingly, organizations that emphasize bureaucratic or mechanistic systems are ineffective. Organizations with rigid hierarchies, high degree of functional specialization, narrow and hunted job descriptions, inflexible rules and procedures, and impersonal management cannot respond adequately to demands for change. Organizations need designs that are flexible and adaptive. They also need systems that both require and allow greater commitment and use of talent on the part of employees and managers.

Why is change important to managers and organizations? Simply stated, organizations that do not bring about change in timely ways are unlikely to survive. One reason for the accelerating rate of change is that knowledge and technology feed on themselves, constantly creating innovations at exponential rates. Few leaders would have envisioned in the mid-1990s the revolutionary impact the Internet and World Wide Web would have on business practices in the early twenty-first century.

The Importance of Change

Change will not disappear or dissipate. Managers and the enterprises they serve, be they public or private, service or manufacturing, will continue to be judged

upon by their ability to effectively and efficiently manage change. Unfortunately, for the managers of the early twenty-first century, their ability to handle complex change situations will be judged over by the ever-decreasing time scales.

How can we manage change in such a fast moving environment, without losing control of the organization and existing core competencies? There are ways to manage such a change, as one would expect no easy answers and certainly no blueprints detailing the best practices. Designing, evaluating, and implementing successful change strategies largely depend on the quality of the management team, particularly the team's ability to design the organization in such a way as to facilitate the change process in a responsive and progressive manner.

John Kotter Model for Change

One of the best known change management models is John Kotter's eight-step model (Kotter 1995). It was first published in 1995 as an article in the Harvard Business Review. Subsequently, it was expanded in the form of a book titled *Leading Change.* The eight steps proposed by Kotter are presented subsequently. According to him, to successfully implement a change in an organization all the eight steps have to be followed in sequence. Skipping any one stage may cause an illusion of speed but does not result in the effectiveness or improvement in the organizations. The eight steps are:

(a) Create a sense of urgency

This stage calls for studying the market trends and analysing the requirement for implementing the change in the organization. It also emphasizes the importance of identifying the problems and highlighting the opportunities available for change to be implemented.

(b) Establishing a powerful group to guide the change

This involves identifying right kinds of people and trying to bring them together so that they can help steer this change programme. Also, enough power needs to be given to this group so that they can pursue the change effort.

(c) Develop a vision

This stage entails developing a vision to bring about the change in the organization. Kotter proposes that this vision should be highly focused and stated in very simple terms so that everyone involved in the process accepts and understands it.

(d) Communicate the vision

The vision created has to be communicated to all employees in the organization so that everyone is aware of it. Multiple channels such as brochures, word of mouth, meetings, and action should be used to communicate the vision.

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(e) Empower staff

For a vision to be converted into reality, it is important that hurdles in its direction need to be removed. Management is, therefore, expected to provide enough resources and autonomy to its employees to help them achieve this vision.

(f) Ensure there are short-term wins

As people do not have the patience to wait for a longer duration to see the benefits of change, it is essential to bring in short-term wins in between as it helps to retain the motivation levels of employees. These wins also help support the need for change.

(g) Consolidate gains

To let the process of change continue smoothly, management should continuously focus on removing organizational policies and processes that inhibit change and reward those who are engaged positively with the change. Attempts should be made to establish new, related change projects.

(h) Institutionalize the change in the culture of the organization

Any change programme which has been carried out in the organization should get embedded in the culture of the organization and it should be linked to organizational performance and leadership. By this, it becomes a permanent component of the organization.

14.4 ORGANIZATIONAL STRUCTURE AND DESIGN

The organisational structure represents the skeletal framework for organisational behaviour. Organisational structure is an important factor like the individual and group behaviour in influencing organisational behaviour. It is a form of work division, interrelationship, organisation goal and culture of the organisation. Behaviour in an organisation depends on the individual characteristics, group functions, structure, environment and technology. Structure plays a predominant role in organisational behaviour. Organisational structure is a system of constant interaction with the environment, goal, people and technology. Structure is a system associated with people, environment and technology. The organisational structure is discussed under meaning, designs, factors influencing structure, classical model of organisational structure and modern model of organisational structure.

Meaning of Organisational Structure

Stephen P. Robbins has defined organisational structure as "how job tasks are formally divided, grouped and coordinated1." It tells how specialised and non-specialised tasks are performed. The framework of an organisation is the structure, wherein the job of each and every person is defined, described and coordinated

to achieve the organisational goals. The control, command, division of work and placement of jobs are considered under the organisational structure. Centralisation, differentiation and related factors are considered under the organisational structure. The important features of organisational structure are also discussed in this unit.

Characteristics of Organisational Structure

Organisational structure is the differentiation of functions to facilitate the achievement of goals. Jobs are differentiated according to the nature and specialisation of the jobs. For example, marketing experts have marketing functions and financial experts look after the financial functions of the organisation. The main characteristics of the organisational structure are differentiation, standardisation, specialisation, departmentalisation, chain of command and centralisation. The impacts of various characteristics are visible on communication network, informed group formation, attitudes of employees, motivation, leadership and so on.

Differentiation Jobs are differentiated for achieving the goals more efficiently. Interrelated tasks are put under one group. Thus, many job groups or differentiations are developed under structure. The jobs are subdivided into horizontal and vertical forms.

Horizontal differentiation The division of labour is the best example of horizontal differentiation. The jobs can be divided on the basis of purposes, process, persons and place. Product line change or departmentation is horizontal differentiation. Technological changes are differentiation for the improvement of the process. People are motivated to perform their jobs in an effective manner. Decentralisation is another form of organisational structure.

Vertical differentiation Vertical differentiation deals with hierarchy, power influence, authority, responsibility and span of control. Level and function are vertical differentiation. Vertical distance is created between the individuals and groups. Scalar or chain of command is used for differentiation. Generally, five levels of authority are observed, viz. top, middle, lower, supervisors and employees. They have different goals and activities. Their function is commanded and controlled accordingly. Each cadre has a different authority and responsibility which are exercised by them for achieving the organisational goals.

Standardisation The organisational structure is formalised or standardised for simplicity and efficiency. The process input and the output are uniform. There is minimum amount of discretion. Jobs are explicitly defined and described. Employees have the least amount of freedom under the standardised structure. They adopt a stereotype process. If the formalisation is low, the employees are free to proceed according to their liking. They behave in a free atmosphere. In the case of standardisation, the behaviour is known. They have to perform according to the set rules of the work process. A less standardised structure gives more freedom to the employees. They exercise discretion in their work. Employees do not have alternatives to behave differently in the case of a standardised structure.

This structure differs according to the nature of work. More freedom in behaviour is possible with the less standardised structure and less freedom is there in the case of a standardised structure.

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Specialisation Specialisation is another component of organisational structure. Each and every part of the whole work is done by specialised people. The total work is broken up into small parts and the responsibility of performance of each part is assigned to experts. This makes people more specialised and active. There may be further sub-divisions of each part to make it more specialised. Each step is completed by skilled labour. The specialisation of whole activity is possible by breaking the total work into separate parts, sub-divisions and steps. Specialisation makes all the work more useful, whether it involves skilled or unskilled functions. Even highly sophisticated tasks can be easily performed by a specialised structure. Time, money and energy are effectively utilised through specialisation. The skills of the employees increases by repetition. Complex and sophisticated operations are performed easily by acquiring skills and specialisation. It is a well-known fact that the level of specialisation increases along with the technological development. Specialisation has increased performance and employees' satisfaction.

Departmentalisation Specialisation is grouped together to form a job which is to be performed by a department. The next step of specialisation is to combine similar activities into a group. Departmentalisation is grouping of specialisation into specific functions. Different functions are grouped on a similar basis. For example, engineering, accounting, personnel, etc. are the important functions which are grouped in separate departments known by their respective functions. Departmentalisation is used in all types of organisations according to their objectives and functions. For example, a university has different departments such as academic, administrative, teaching, etc. Similarly, other organisations have different types of departments based on their objectives and activities. The departmentalisation is done on several bases such as product, process, place, customer services and administration.

Product departmentalisation Departments are divided on the basis of the product. An organisation engaged in cloth manufacturing has ready made department, cloth department, cotton textile department, synthetic fibre department. Each department has its own head who looks after the total functions of his department. The accountability, authority and responsibility are specifically assigned for each department.

Process departmentalisation The product department itself is divided into several sub departments. The process of organisation is the basis of departmentalisation. For example, proofreading, printing, machine repairing and setting of places are the important departments of a newspaper printing organisation. Each process requires different skills. The people working on a process become specialised within a reasonable period.

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Place departmentalisation The department is developed according to territory, geographical areas and place of functions. The departments in one state and other states have different functions according to their nature of work. Regional departments have their specialities in performance and functions. Head office and branch offices are the basic examples of place departmentalisation.

Customer service departmentalisation Departments are formed according to the needs of the customers' services. For example, the Bata Shoe Company in India has different showrooms and retail stores to meet the requirements of the customers. Wholesaling, retailing and departmental stores are the main departments that cater to the needs of customers. Efforts are made to satisfy the customers' needs in every department. If it is not satisfied, the customers are requested to consult some specialised personnel in higher departments.

Administration departmentalisation An organisation develops its own administration department. The personnel department, secretarial department, training and placement department are the various examples of administrative departments. Accounting, auditing, salary, provident fund, pension, etc. are other examples of such departments. Head office, zonal offices, divisional offices and branch offices are glaring examples of departmentalisation, on the basis of administration. Departments looking after government policy, taxation, social responsibility and human resource development are functioning in big organisations in India.

Chain of command The organisational structure decides the mode of the chain of command. Line organisation has a scalar chain of command and the functional organisation has a supervisory command. The chain of command is the unbroken line of authority that extends from the top of the organisation to the lowest echelon. It decides the amount of authority, responsibility and accountability at each level of the chain. The delegation of authority flows from a higher to a lower level in different forms in separate organisations. Authority is the legalised power. The higher level asks the lower level to perform some functions which are expected to be carried out by the lower manager or employees. In the line organisation, the command is by only one person to whom the lower manager is liable to report. It is known as the unity of command. In a functional organisation, the employees are accountable to the functional heads. There may be a number of functional heads depending upon the functional aspects. It is known as the functional command.

The chain of command decides the span of control which is the number of subordinates a manager can effectively and efficiently direct. The span of control is decided by the formula, span of control where 'n' is the number of employees. If the number of employees is 2, the line of control or span of control will be 6. If the number of employees is 3, the span of control will be 18 because of their direct relationship, group relationship and cross relationship. The number of employees under a supervisor influences the effectiveness. A manager can keep close contact if the number of employees is smaller.

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Centralisation The organisational structure is also based on centralisation and decentralisation. Centralisation is the degree to which decision making is concentrated at a single point. It is the right or authority which is confined to a few people in the organisation. The top management, keeps its decision-making power in itself under centralisation. On the contrary, when a lower manager is given the decision making power, it is decentralisation. Under decentralisation, decision is more effective and quick. Modern organisations mainly adopt decentralisation for flexibility and responsiveness. Lower managers are closer to the employees.

Organisational Designs

The structural design of an organisation has been given prime importance in the organisational behaviour. Better design makes behaviour sound and effective. The suitability of a design depends on the nature of work and environment. Basically, three designs are accepted in behavioural science, viz. simple structure, bureaucratic structure and matrix structure.

Simple Structure

A simple structure has a low degree of components of structure. There is low level of control, single-person control, less standardisation or formalisation and low degree of departmentalisation. The span of control has only two or three vertical levels and loose employee command. The manager is one or very few but controlled by only one. There are very small numbers of employees. The command and control is done by only one. Every function is simple and well known. Accountability is clear. The structure is inexpensive to maintain. It is fast and flexible. It becomes difficult to manage if the organisation grows. The centralisation has made it difficult to manage all the growing activities. Low formalisation has made task performances difficult to expand. The decision making process slows down as the organisation grows. A slow decision makes an organisation ineffective. Employees behave wildly. The simple structure is visible in small organisations. Everything is risky. The organisation is only a one man show. If he is ill, the total organisation collapses. A simple structure is unsuitable for a larger organisation.

Bureaucratic Structure

A bureaucratic structure is based on rules and regulations which are considered the prime movers of organisational behaviour. It is standardised. For example, departmental stores have a set process of conducting sales. The articles are collected in a basket by the consumer who takes them to the bill counter where the bill is prepared and taken by the customer. After payment of the bill, the goods which are purchased and packed by the employees are taken over by the customer after handing over one of the copies of the cash memo. Bureaucracy is highly routine, operating through specialisation. A bureaucratic structure has a narrow span of control, scalar chain of command, functional departmentalisation, centralised authority and highly formalised functions. The activities are divided into highly specialised structures to make the functions efficient and effective. In the absence

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of specialisation, the performance will not be qualitative and efficient. Managers have no scope for personal discretion as they have to follow the rules and regulations while taking any decisions.

Centralisation is one of the main tenets of a bureaucratic structure. Duplication is avoided although in a lengthy span of control, the order unnecessarily flows to various channels. Since every function is governed by rules; there is less scope for innovation, research and development. There is no room for modification. Instead of several drawbacks of bureaucratic structure, it has proved successful in managing routine types of organisation.

Matrix Structure

A matrix structure combines the different factors of organisational behaviour in an efficient manner. Employees have to carry various responsibilities according to the nature of work, hierarchy and position. Matrix is a combination of departmentalisation, functionalisation and product. Functions are used to create several structures. Similarly, main products, by products, sub-products and allied products are factors of divisionalisation. Matrix includes benefits of all factors and avoids their disadvantages.

The disadvantages of a simple structure and a bureaucratic structure are avoided under the matrix structure. The matrix structure is a co ordination of diverse functions. Instead of a scalar chain of command, there are multiple supervisors as per the need of the functions. It is most useful in large organisations. It provides economy of scale by minimising the cost of operation and maximising the revenue. There is the fear of ambiguity, conflict and power struggles in the absence of set principles of functioning. The matrix structure is designed systematically to avoid weaknesses.

Extremes of Organisational Structure

The organisational structure is influenced by several factors such as corporate strategy, size, technology and environment. There are two extremes of the organisational structure. The real structure lives in between these two extremes depending upon the determining factors. The two extremes are mechanistic extreme and organic extreme.

Mechanistic Extremes

Extremes are related to the components of an organisational structure, e.g. specialisation, departmentalisation, chain of command, spans of control, centralisation and formalisation. A high degree of these components have been included under mechanistic factors. Employees perform their jobs as per the routine system. They do not have the discretion to manage the activities. Employees perform like machines in the highest degree of mechanistic approach. The communication is hierarchical. It means that the higher authority instructs the lower, whereas the lower authority has no power to question the order and suggest its own measures.

It is a form of bureaucratic structure. It is a highly dictational structure of organisation.

Organic Extremes

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Under organic extremes, the components of an organisational structure are more loosely used, and more freedom is given to the employees who take more interest in their job performance rather than rule observation. It has a cross-hierarchical and cross-functional team work. The components of an organisational structure are at a low level. For example, there is low specialisation, low departmentalisation, fewer chain of command, wider span of control, decentralisation and less formalisation. Upward, downward and lateral communications are practiced under the organic structure. The employees are empowered to participate in the decision-making process. It is a highly democratic form of organisational structure.

14.5 ORGANIZATIONAL BEHAVIOUR MODIFICATION PROCESS

Organizational Behaviour Modification (OB Mod) is a systematic approach of behaviour technologies which are aimed to improve individuals and group's performance in an organization. It is a basically a complex tool for improving the effectiveness and success of organizations. OB Mod , which is derived and developed from the work of B.F. Skinner, is a technique which helps managers in modifying or eliminating undesirable behaviour and replace it with behaviour that is more compatible and goal attainment. Behaviour modification focuses on a individual's explicit behaviour and it also allows managers toconvincingly and crediblyobserve and deal with external manifestations of behaviour. OB Mod can be defined as the techniques for modifyingbehaviour of the organizational members so that they are engaged in desirable behaviour. According to Robbins, OB Mod is defined as:

> " **OB Mod** is a program where managers identify performance-related employee behaviors and then implement an intervetion strategy to strengthen desirable behaviors and weaken undesirable behaviors".

OB Mod implementation begins with the identification of critical behaviours related to organizational performance. These behaviours are measured and if there is noinconsistency found between desirable behaviour and measured behaviour no further action is required.

14.6 QUALITY OF WORK LIFE AND EMPLOYEE ASSISTANCE PROGRAMS

Quality of Work Life activity gained importance between 1969 and 1974, when a broad group of researchers, scholars, union leaders and government personnel developed interest in how to improve the quality of an individual through on-the-

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job experience. In fact, the term QWL emerged in a much broader perspective after the Arden House Meet in New York in 1972, which led to the establishment of the International Centre of QWL. The term QWL was introduced by Louis Davis.

Quality of Work Life represents a concern for the human dimensions of work. It is a worldwide problem, and concern for improving it has been increasing since 1960s. The European approach to QWL involves industrial democracy via legislative arrange-ments for employees and labour involvement in work-related decision-making. However, the approach in the USA has been voluntary in nature, jointly under-taken by the management and the worker as a mutual responsibility. The European and American QWL efforts to develop principles and methods of organizational design aimed at democratizing the workplace have been well documented by the publications of the International Council for Quality of Work Life, which was established in 1972.

Meaning

Quality of Work Life has been defined as the quality of relationship between employees and the total working environment.

It seeks to create those conditions in the organization, which

- promote individual learning and development;
- provide individuals with influence and control over what they do and how they do it;
- make available to the individuals interesting and meaningful work as a source of personal satisfaction and a means to valued personal rewards.

Walton defines QWL as a process by which an organization responds to employee needs for developing mechanisms to allow them to share fully in making the decisions that design their lives at work. He provides 8 criteria (defined as characteristics of the individual's work experiences, or work environment) to evaluate QWL programmes:

1. adequate and fair compensation;
2. safe and healthy environment;
3. development of human capacities;
4. growth and security;
5. social integration;
6. constitutionalism (workers' right);
7. total life space (work having a balanced role in the individual's life considering the requirement of leisure); and
8. social relevance (which is being socially responsible).

Hackman and Suttle describe QWL from varied viewpoints. From a professional viewpoint, it refers to industrial democracy, increased worker

participation in corporate decision-making or a culmination of the goals of human relations. In terms of the management perspective, it relates to a variety of efforts to improve productivity through improvements in the human, rather than the capital or technological inputs of production.

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Overall, QWL is related to (*a*) job satisfaction, humanising the work or individualizing the organization; and (*b*) OD programmes. There are two types of determinants of QWL: (*i*) those which influence the importance of a particular need of an individual; and (*ii*) those which satisfy or frustrate that need. Thus, QWL is determined by the interaction of personal and situational factors (i.e., individual-organizational fit). It implies that the basic strategy for improving QWL is first to identify and then try to satisfy people's important needs, through their experience in their work environments. It involves both personal (subjective) and external (objective) aspects of work-related rewards, work-experiences and work-environment. Specifically, in India, QWL offers a value frame and a social technology of organizational change leading to task effectiveness of micro-entities through utilization and unfolding of human potential.39

Advantages

In general, the advantages of QWL include: (*a*) healthier, satisfied and productive employees; and (*b*) efficient, adaptive, and profitable organization. The more specific benefits that QWL yields for the organization as well as the employee are listed here.

(*i*) More positive feelings towards one's self (greater self-esteem), one's job (improved job satisfaction and involvement) and the organization (stronger commitment to the organization's goals).

(*ii*) Improved physical and psychological health.

(*iii*) Greater growth and development of the individual as a person and as a productive member of the organization.

(*iv*) Decreased absenteeism and turnover, and fewer accidents.

(*v*) Higher quality and quantity of output of goods and services.

Improved Communication

When the above advantages are undertaken jointly by the union and management, collaborative QWL programmes lead to: improved labour-manage-ment communication, more effective and smoother contract negotiations, im-proved pay and benefits, more effective and sound management, and stronger and more effective union organizations. To cite an example, the Century Brass Com-pany was plagued with worsening quality problems, declining productivity and union unrest. It is believed that the implementation of the QWL project has built an attitude of mutual trust in the company. Consequently, managers and workers are sitting down with each other as equals and looking for solutions which serve everybody's interests.

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Overall, QWL involves interaction of the individual and the organization to satisfy each other's needs and expectations. The QWL improvements may also facilitate such social goals as greater economic prosperity or political stability. They may also provide remedies to social evils like mental health problems, unemployment, drug and alcohol addiction among workers and their families. Last, QWL improvements are also desirable from the perspective of humanitarian values.

Potential Difficulties

Notwithstanding potentially powerful mechanisms, QWL programmes in their collaborative forms (involving joint union–management activities) are fraught with difficulties. At least potentially, both union and management open themsel-ves to substantial risks. The union may perceive joint activities (undertaken at the initiative of the management) as a means by which it intends to 'do them in'. Likewise, the management may perceive joint activities (initiated at the instance of the union) as an intention of diluting its ability to manage and a means by which the union will acquire more power. Particularly, the middle management may find it hard to believe the benefits of QWL, and may perceive that the management is 'becoming soft and giving into union dominance'.

Overcoming the Difficulties

Whether originated at the instance of the management or the union, or a third party, QWL programmes have been successful in various settings and in a number of ways. Leher indicates certain conditions which help overcome the above difficulties. These are:

- acknowledgement by both parties of 'mutuality of concerns' and specific identification of these concerns;
- an understanding that joint activities will, in fact, be joint and supportive of the continuing integrity of both parties;
- acceptance of QWL concepts as the norm by the top management, union leadership and middle management and supervision;
- an administrative structure to provide guidance for QWL project activities;
- an established charter for QWL committees and project activities, specify-ing ground rules, responsibilities, authorities, etc.;
- a clear-cut understanding that joint ownership of the entire QWL is a reality and open acknowledgement of what each party expects to receive as benefits; and
- a mechanism for involvement; handling substantive issues; worthwhile participation in personal terms and in influencing affairs of the organization; and a provision for knowledge and skills to deal with such problems effectively.

Strategies for Improving QWL/Introducing QWL Programme

Quality of Work Life is a shared responsibility not only of the management and workers, but also of the union leaders, government officials and behavioural scientists. Hackman and Suttle present six strategies which have frequently been used for introducing QWL programme in organizational settings. These are (*i*) the development of careers and career paths, (*ii*) work design, (*iii*) organizational reward systems, (*iv*) design and maintenance of group and inter-group relationships, (*v*) managerial practices, and (*vi*) internal and external strategies for change.

Development of Careers and Career Paths

Career refers to a sequence of positions occupied by an individual during the course of a lifetime. There are four stages in an individual's career—(*i*) exploration, (*ii*) establishment, (*iii*) mid-career, and (*iv*) later career. From management's perspective, the process of development of careers and career paths forms a means to improve, or at least, sustain employees' productivity and prepare them for changing work situations in the organizational setting. It involves a number of issues, including career counselling, charting career paths, career information systems, human resource planning, periodic skill assessment, training and help for disadvantaged groups. There are, at least, the following three prerequisites to effective performance of activities relating to the development of career paths of employees in organizational settings:

- Coordination of these activities withother activities in human resource management.
- Active involvement of line supervisors in designing and implementing them.
- Provision for equal access to their benefits to all employees.

Individual, Organizational and Cultural Environment

Specifically as a strategy for improving QWL, the development of careers and career paths involves a matching process embracing three elements—individual, the organization, and the broader cultural environment. Accordingly, management may effectively perform this function by taking into account the life cycles of individuals, the needs of the organization and the society, and the norms and values of the broader culture. In conjunction with these contexts, attempts should be made to consider the implications of the following factors in performing this respon-sibility.

- The distinction and relationship between internal (subjective) and external (objective) views of careers.
- The need to understand the individual within his total lifespan and throughout his lifetime.
- The need to consider the issues concerning development of career and career paths in interaction with those concerning self-development and family development.

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Work Design

Work design influences employee satisfaction, motiva-tion and productivity. As a strategy for improving QWL, work design must take into account factors which moderate employees' reactions to their work. These moderators relate to individual differences and interpersonal and organizational factors. Obviously, there is no such thing as a universally good design for work.Depending upon the situational requirements, management may select the relevant strategies for specific design options. Whatever work design options are used, the following strategies for planned personal and organizational change appear to be relevant for effectively introducing QWL through work redesign in organizational settings.

- Diffusing knowledge about work-redesign theory and practice.
- Disseminating work-redesign innovations.
- Paying more attention to the jobs of first-level managers.
- Paying more attention to the role of unions in work-redesign efforts.

Organizational Reward System

The role of the reward system relates to the motivation of employees in organizational settings. Employees do what they do to satisfy needs. Prior to do anything, they look for the pay-offs or rewards—salary increases, benefits, desirable job assignments, etc.—which are organizationally controlled. These organizational rewards are highly complex. They may be direct and indirect compensations, or financial and non-financial in nature, and dis-tributed on individual or group or organization-wide basis. Whatever be their nature, they influence every other aspect of the organization. Accordingly, as a strategy for improving QWL, the organizational reward systems must be used as an integral part of broadly oriented programmes of organizational change. The management may take the following precautions in effectively managing them in this context.

- Effectively design the programmes, as they influence individual attitudes and behaviours, and organizational structures and procedures.
- Improve communication and participation systems, as they influence the effectiveness of the reward systems in the organization.
- Ensure that the reward systems are operated in a congruent way in the organization.
- Redesign these systems when sub-systems in the organization are changed.

Design and Maintenance of Group and Inter-Group Relationships

In conjunction with varied characteristics of intra-group behaviour, there are systematic properties of inter-group relationships in organizational settings. There arises a complex set of behaviours, emotions, attitudes and beliefs when groups tend to have interdependent relationships. There are three types of inter-groups.

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- Task-induced inter-groups, which stem from the need for division of labour.
- Hierarchically induced inter-groups, which arise from the hierarchy of authority and the inevitability of superior-subordinate relationship in organizations.
- Historically rooted inter-groups, which are based on personal and social characteristics that members bring into the organization.

As a strategy to improve QWL, attempts may be made to take into account the dynamics of intra-group and inter-group relationships in designing and maintain-ing them in organizational settings. Several behavioural science interventions (e.g., inter-group meetings) can be used to reduce the destructiveeffects of inter-group conflict and improve QWL. The goals of such interventions are to increase communications and interactions between work-related groups, reduce the amount of dysfunctional competition, and replace a parochial, independent point of view with an awareness of the necessityfor interdependenceof action calling on the best efforts of these groups.

Managerial Practices

In an organization the QWL is a function of prevailing management practices. Specifi-cally, the role of supervision and management is of utmost significance in improv-ing QWL. The supervisor influences QWL and employees' productive behaviour both directly through his treatment of the individuals, and indirectly through his influence on the design of jobs, the reward systems and the development of teamwork. He plays three key roles:

- providing consideration;
- serving as a facilitator of employees' work efforts; and
- encouraging appropriate amounts of participation in crucial work decisions.

In conjunction with supervisory and management practices, QWL is also influenced by the structural characteristics of organizations and those of trade unions obtained in specific settings. Thus, while attempting to improve QWL, efforts may be made to humanize organizational structures, and obtain union cooperation and involvement in this context.

Internal and External Strategies for Change

There are a set of internal and external strategies to introduce the above five strategies aimed at improvement of QWL in an organizational setting. Prior to adherence to this set of strategies, there is need to make a number of choices between: (*a*) centralised–decentralised strategies, (*b*) power-based and collabora-tive strategies, (*c*) fast and slow-paced strategies, and (*d*) individual and structure-oriented strategies.

Frequently, three general strategies are used to introduce QWL change programmes. These are:

- strategies arising internally in the organizations, such as OD, or manage-ment and union strategies;
- strategies originating with political and special interest groups, such as community action approaches; and
- societal-level strategies, such as use of legislation involving integration of internal and external programmes.

Check Your Progress

1. What do you understand by organizational culture?
2. What is the role of employees' inclination on organizational culture?
3. What type of system is good for a successful organization?
4. What do you understand by organizational structure?
5. Name the three organizational designs accepted in behavioral science.
6. What are the two extremes of organizational structure?
7. What is the meaning of quality of work life?
8. How is organizational reward systems related to improving QWL?

14.7 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Organizational culture is the accumulated tradition of the organizational functioning. It is based on certain values, norms and positive attitudes of an organization. Organizational environment becomes a culture if it is used for motivating people to avoid any friction and adopt the valuable tradition of the organization.
2. Organizational culture depends on the employees' inclinations which are influenced by their perception, learning and personality. If the employees take a positive view of the management's attitude, a people oriented climate is developed. The degree of confidence, tolerance and fellowman ship of the employees decides the culture of the organization. Individual's satisfaction is the part of a good culture.
3. Organizations that emphasize bureaucratic or mechanistic systems are ineffective. Organizations with rigid hierarchies, high degree of functional specialization, narrow and hunted job descriptions, inflexible rules and procedures, and impersonal management cannot respond adequately to demands for change. Hence, organizations need designs that are flexible

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and adaptive. They also need systems that both require and allow greater commitment and use of talent on the part of employees and managers.

4. Organisational structure is an important factor like the individual and group behaviour in influencing organisational behaviour. It is a form of work division, interrelationship, organisation goal and culture of the organisation.
5. The three organizational designs that are accepted in behavioural science are simple structure, bureaucratic structure and matrix structure.
6. The two extremes of organizational structure are mechanistic extreme and organic extreme.
7. Quality of Work Life or QWL has been defined as the quality of relationship between employees and the total working environment.
8. The organizational reward systems are used as a strategy for improving QWL as they can be used as an integral part of broadly oriented programmes of organizational change. Organizational rewards are salary increases, benefits, desirable job assignments etc . They may be direct and indirect compensations, or financial and non-financial in nature, and dis-tributed on individual or group or organization-wide basis. Whatever be their nature, they influence every other aspect of the organization.

14.8 SUMMARY

- Organizational culture is the accumulated tradition of the organizational functioning. It is based on certain values, norms and positive attitudes of an organization. Organizational environment becomes a culture if it is used for motivating people to avoid any friction and adopt the valuable tradition of the organization.
- The success of any organization depends on its culture, as it is the invisible power governing the organization. When the thinking and action of the employees are institutionalised, organizational culture takes birth. Organizational culture is its strong soul which makes its functions possible and lively.
- Several authors have given different features for organizational culture. They are assumptions and values, sharing of perception, risk taking, management attitudes, employees' inclination, team building, competitiveness and stability. The structure, autonomy and conflict are used for developing the culture of organizations.
- A combination of some factors formulate organizational culture such as assumptions and values; sharing of perception; risk taking; management attitude; employees' inclination; competitiveness; stability; and structure.
- To a certain extent, all organizations exist in a changing environment and are constantly changing themselves.

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- The organizations that emphasize bureaucratic or mechanistic systems are ineffective. Organizations with rigid hierarchies, high degree of functional specialization, narrow and hunted job descriptions, inflexible rules and procedures, and impersonal management cannot respond adequately to demands for change. Organizations need designs that are flexible and adaptive. They also need systems that both require and allow greater commitment and use of talent on the part of employees and managers.
- One of the best known change management models is John Kotter's eight-step model (Kotter 1995). It was first published in 1995 as an article in the Harvard Business Review. According to him, to successfully implement a change in an organization all the eight steps have to be followed in sequence. Skipping any one stage may cause an illusion of speed but does not result in the effectiveness or improvement in the organizations.
- The eight steps proposed by Kotter are sense of urgency, establishing a powerful group to guide the change, develop a vision, communicate the vision, empower staff, ensure short-term wins, consolidate gains, and institutionalize the change in the culture of the organization.
- Organisational structure is an important factor like the individual and group behaviour in influencing organisational behaviour. It is a form of work division, interrelationship, organisation goal and culture of the organisation.
- Organisational structure is a system of constant interaction with the environment, goal, people and technology. Structure is a system associated with people, environment and technology. The organisational structure is discussed under meaning, designs, factors influencing structure, classical model of organisational structure and modern model of organisational structure.
- The framework of an organisation is the structure, wherein the job of each and every person is defined, described and coordinated to achieve the organisational goals. The control, command, division of work and placement of jobs are considered under the organisational structure
- Organisational structure is the differentiation of functions to facilitate the achievement of goals. Jobs are differentiated according to the nature and specialisation of the jobs.
- The main characteristics of the organisational structure are differentiation, standardisation, specialisation, departmentalisation, chain of command and centralisation. The impacts of various characteristics are visible on communication network, informed group formation, attitudes of employees, motivation, leadership and so on.
- The structural design of an organisation has been given prime importance in the organisational behaviour. Better design makes behaviour sound and effective. The suitability of a design depends on the nature of work and environment. Basically, three designs are accepted in behavioural science, viz. simple structure, bureaucratic structure and matrix structure.

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- A simple structure has a low degree of components of structure. There is low level of control, single-person control, less standardisation or formalisation and low degree of departmentalization.
- A bureaucratic structure is based on rules and regulations which are considered the prime movers of organisational behaviour. It is standardised. Centralisation is one of the main tenets of a bureaucratic structure. Duplication is avoided although in a lengthy span of control, the order unnecessarily flows to various channels.
- A matrix structure combines the different factors of organisational behaviour in an efficient manner. Employees have to carry various responsibilities according to the nature of work, hierarchy and position. Matrix is a combination of departmentalisation, functionalisation and product.
- The organisational structure is influenced by several factors such as corporate strategy, size, technology and environment.
- Extremes are related to the components of an organisational structure, e.g. specialisation, departmentalisation, chain of command, spans of control, centralisation and formalisation.
- Under organic extremes, the components of an organisational structure are more loosely used, and more freedom is given to the employees who take more interest in their job performance rather than rule observation.
- Quality of Work Life activity gained importance between 1969 and 1974, when a broad group of researchers, scholars, union leaders and government personnel developed interest in how to improve the quality of an individual through on-the-job experience. In fact, the term QWL emerged in a much broader perspective after the Arden House Meet in New York in 1972, which led to the establishment of the International Centre of QWL. The term QWL was introduced by Louis Davis.
- Quality of Work Life represents a concern for the human dimensions of work. It is a worldwide problem, and concern for improving it has been increasing since 1960s.
- In general, the advantages of QWL include: (*a*) healthier, satisfied and productive employees; and (*b*) efficient, adaptive, and profitable organization.
- QWL programmes lead to: improved labour-manage-ment communication, more effective and smoother contract negotiations, im-proved pay and benefits, more effective and sound management, and stronger and more effective union organizations.
- The QWL improvements may also facilitate such social goals as greater economic prosperity or political stability. They may also provide remedies to social evils like mental health problems, unemployment, drug and alcohol addiction among workers and their families. Last, QWL improvements are also desirable from the perspective of humanitarian values.

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- Organizational Behaviour Modification (OB Mod) is a systematic approach of behaviour technologies which are aimed to improve individuals and group's performance in an organization.
- Quality of Work Life is a shared responsibility not only of the management and workers, but also of the union leaders, government officials and behavioural scientists. Hackman and Suttle present six strategies which have frequently been used for introducing QWL programme in organizational settings.
- Work design influences employee satisfaction, motiva-tion and productivity. As a strategy for improving QWL, work design must take into account factors which moderate employees' reactions to their work.
- The role of the reward system relates to the motivation of employees in organizational settings. Employees do what they do to satisfy needs. Prior to do anything, they look for the pay-offs or rewards—salary increases, benefits, desirable job assignments, etc.—which are organizationally controlled.
- In an organization the QWL is a function of prevailing management practices. Specifi-cally, the role of supervision and management is of utmost significance in improv-ing QWL.
- There are a set of internal and external strategies to introduce the above five strategies aimed at improvement of QWL in an organizational setting. Prior to adherence to this set of strategies, there is need to make a number of choices between: (*a*) centralised–decentralised strategies, (*b*) power-based and collabora-tive strategies, (*c*) fast and slow-paced strategies, and (*d*) individual and structure-oriented strategies.

14.9 KEY WORDS

- **Organizational Culture:** It refers to the underlying beliefs, assumptions, values and ways of interacting that contribute to the unique social and psychological environment of an organization
- **Quality of Work Life:** It refers to the overall quality of an individual's working life. It includes factors such as income, health, social relationships, and other factors such as happiness and fulfillment.
- **Organizational Behaviour Modification:** It is a technique for modifying the behaviour of the organisational members so that they are engaged in desirable undesirable behaviour .
- **Reward System:** It is the set of mechanisms for distributing both tangible and intangible returns as part of an employment relationship.

14.10 SELF ASSESSMENT QUESTIONS AND EXERCISES

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Short-Answer Questions

1. How does the management's attitude impact the behavior of employees?
2. Why is change important to managers and organizations?
3. Briefly mention the eight steps proposed by John Kotter for change.
4. How did P. Robbins define organizational structure?
5. Write a short note on three structural designs of an organization.
6. Define organizational behavior modification (OB Mod).
7. What are the strategies used for improving quality of work life?
8. What are the three general strategies used to introduce QWL change programmes?

Long-Answers Questions

1. Justify the sentence '*The success of an organization depends on its culture'* as per your understanding.
2. Discuss the several features of organizational culture.
3. Analyse the different characteristics of organizational structure.
4. Examine the meaning of quality of work life as defined by different psychologists.
5. Discuss the various advantages of quality of work life.

14.11 FURTHER READINGS

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